

DIDD and TennCare Person-Centered Integration of I/DD Programs and Services Frequently Asked Questions

The Department of Intellectual and Developmental Disabilities (DIDD) and the Division of TennCare will integrate and align all Medicaid long-term services and supports (LTSS) programs for people with intellectual and developmental disabilities (I/DD), including the Section 1915c HCBS waivers, the Employment and Community First CHOICES Program, and Intermediate Care Facility Services for Individuals with Intellectual Disabilities (ICF/IID), for the first time, under the direct operational leadership, management and oversight of DIDD.

What is the goal of the integration of I/DD services under this plan?

- The primary goal of this integration will be to finally and fully achieve a single, seamless, person-centered system of service delivery system for people with I/DD that supports them to increase their independence, fully participate in their communities, and achieve their competitive, integrated employment goals.
- This change will also allow DIDD to leverage its expertise and passion in supporting people with I/DD to positively impact all of the Medicaid-funded programs that serve them.
- In addition, it will enable the person-centered alignment of critical incident management, quality assurance and improvement, direct support workforce training and qualifications, and provider qualifications and enrollment/credentialing processes—reducing administrative burden for providers and minimizing some of the restrictive and burdensome expectations that have resulted from the impact of longstanding litigation.
- Further success will be achieved through the use of value-based reimbursement aligned with system values and outcomes that is specifically designed to support independence, integration and competitive integrated employment through the use of effective person-centered planning, enabling technology and the development of natural supports.

What programs for individuals with intellectual and developmental disabilities does DIDD currently administer?

DIDD currently operates three section 1915c Home and Community Based Waivers for persons with intellectual disabilities: the Statewide Waiver, the Comprehensive Aggregate Capped (CAC) Waiver, the Self-Determination Waiver. Approximately 7,000 individuals are served in these waivers. In addition to these HCBS Waiver programs, the Department administers the state funded Family Support Program which serves over 4,000 people with both Intellectual and Developmental disabilities and presides over a unique Enabling Technology program which identifies technology-based support options and pilots these in technology-enhanced support settings.

What programs does TennCare currently administer?

TennCare oversees the Employment and Community First CHOICES program which launched on July 1, 2016. This program is an MLTSS program for people of all ages who have an intellectual or developmental disability, specifically designed to support persons' employment and community living goals. Employment and Community First CHOICES currently serves approximately 3,200 persons. TennCare also operates Intermediate Care Facilities for Individuals with Intellectual Disabilities through fee-for-service contracts.

How will this integration impact the budget and particularly the current budget challenges facing the state?

While the planned changes have great potential to help deliver services more cost-effectively, we do not plan to reduce any funding for these programs as part of the proposed integration. We will, however, capture an immediate increase in net revenues related to the HMO premium tax (paid by managed care organizations or MCOs) for these services, which is estimated at \$34.4 million state dollars. These increased revenues will help to fill COVID-related budget gaps and assist in avoiding further reductions in benefits or in provider reimbursement that would otherwise be required.

In addition, by integrating the budget process for programs and services for people with I/DD and providing services more efficiently, we hope to be able to utilize existing program resources to serve additional people with I/DD from the current waiting list. In the absence of the funding that had been appropriated to serve people from the waiting list, it provides a pathway (subject to the budget process) to achieving the goal of eliminating the waiting list that will otherwise not be available, at least in the near future.

How will integrating ICF/IID and 1915(c) waiver services into managed care generate new revenue?

Health provider and insurer fees—generally referred to as “assessments” or “taxes” are one of the ways that many states help finance their Medicaid programs. In general, the way this typically works is that the providers or insurers work with the legislature to pass a law that establishes the collection of the fee across all the providers or insurers (it cannot be limited to Medicaid providers/services/health plans).

For the portion of those fees attributable to Medicaid services, the money can then be used to draw down a federal match at the state’s Federal Medical Assistance Percentage (or matching) rate—in Tennessee, currently 65.878% (not taking into account the temporary increase related to COVID). The amount collected from the fee, combined with the matching funds, is then used to help fund the Medicaid services covered by the assessment.

Tennessee currently has an HMO premium assessment. What this means is that by moving ICF/IID services and 1915c waiver services into the managed care program, the HMO assessment will generate roughly \$34 million in additional state dollars (plus federal match) that can be used to help pay for these services. These increased revenues will help to fill COVID-related budget gaps and avoid further reductions in benefits or in provider reimbursement that would otherwise be required due to budget reduction targets, and which would have significant negative impact on the system and on persons served and their families.

How will a managed care model support this population?

All of the people currently receiving Medicaid LTSS (in the 1915c waivers, ICFs/IID and in Employment and Community First CHOICES) already receive services through managed care, including physical and behavioral health.

Moreover, at least 10 states, including Tennessee, already deliver long-term services and supports to hundreds of thousands of individuals with I/DD using a managed care approach.

A managed care approach, when implemented in a thoughtful, value-based way, can help improve quality outcomes for persons supported, while also leveraging a technology first and person-centered approach to help deliver services more cost effectively. This has many benefits:

- Most importantly, it will **help persons supported live better lives in the community with as much independence as possible.**
- It will **utilize limited staffing resources much more efficiently**, addressing critical workforce shortages and creating additional workforce capacity to serve additional people.
- It will allow for **a much more efficient and effective use of state and federal Medicaid resources** to serve the I/DD population. By integrating the budget process for programs and services for people with I/DD and providing services more efficiently, we will be able to utilize existing program resources to serve additional people with I/DD from the current waiting list. In the absence of the funding that had been appropriated to serve people from the waiting list, it provides a pathway (subject to the budget process) to achieving the goal of eliminating the waiting list that will otherwise not be available, at least in the near future.

DIDD and TennCare will work together with our stakeholders to determine how managed care can be used to help all people with I/DD achieve their own person-centered outcomes, as well as broader system goals around serving more people.

How will the program be structured?

TennCare will contract with DIDD to serve as the operational lead agency for all I/DD programs and services.

TennCare and DIDD, will in turn, contract jointly with Managed Care Organizations, with DIDD leading the day-to-day management and oversight of the MCO contracts for I/DD benefits, and TennCare working alongside DIDD and continuing to lead management and oversight of other integrated benefit components for the I/DD population—physical and behavioral health, pharmacy, and dental services, in consultation and partnership with DIDD.

Under this model the entire I/DD population will receive integrated benefits for the first time including physical and behavioral health, pharmacy, and dental services.

How will this integration support individuals with I/DD and behavioral health concerns?

TennCare has already engaged DIDD in working with MCOs help build the statewide capacity and continuum of the behavioral health system to meet the needs of individuals with I/DD who have co-occurring mental health conditions or behavior support needs in a

person-centered way (moving toward independence and integration to the maximum extent appropriate). This broader integration approach will serve to leverage the current success of that engagement and continue work that includes:

- The development and engagement of statewide HCBS provider networks, including workforce capacity, to serve people with I/DD and co-occurring behavior support needs;
- The development of statewide capacity for behavioral crisis response and stabilization, leveraging telehealth with in-person backup as needed; and
- The development of statewide capacity for rapid placement, stabilization and assessment, including person-centered transition planning with the HCBS provider and/or family caregiver (as applicable); program development and implementation (including training), and post-transition stabilization placement support (telehealth and in-person).

Having DIDD in a direct oversight role will further strengthen this partnership and help develop an integrated approach that will better serve people with I/DD and co-occurring behavioral health needs and their families, and avoid crises when possible.

Will this integration allow for more individuals with I/DD to receive services?

Our hope is that by integrating the budget process for programs and services for people with I/DD and providing service options that recognize and promote independence and program efficiency, we will be able to utilize existing program resources to serve additional people with I/DD from the current waiting list. This integration of services provides a pathway (subject to the budget process) to achieving the goal of eliminating the waiting list that will otherwise not be available, at least in the near future.

What impact will this integration have on HCBS and ICF/IID providers?

By bringing these programs, populations, and services together under the direct operational leadership, management, and oversight of DIDD, Tennessee can fully align:

- Critical incident management;
- Quality assurance and improvement;
- Direct support workforce training and qualifications;
- Provider qualifications and enrollment/credentialing processes; and
- Service menus and expectations across all of HCBS

This will reduce administrative burden for providers and minimize some of the restrictive, burdensome and often ineffective practices that have resulted from the impact of longstanding litigation.

Will this integration eliminate administrative burdens many providers serving both programs currently encounter?

Yes. Providers have long expressed a desire to eliminate the administrative burden of working in multiple service delivery systems, as well as the restrictive and inefficient practices that have resulted from the impact of longstanding litigation. A single person-centered system will eliminate duplicative requirements and streamline provider processes using person-centered values and outcomes as the guidepost.

How will providers be reimbursed in the integrated program?

DIDD and TennCare will continue to work together to set the rates of reimbursement and ensure continuity of the network and services for persons supported. There will be new value-based reimbursement approaches aligned with system values and outcomes that are specifically designed to leverage a technology first platform to support independence, integration and competitive integrated employment through the use of effective person-centered planning and the development of natural supports.

What is the timeline for the integration of I/DD services?

TennCare will seek approval from CMS for the integration of I/DD services as part of the TennCare waiver renewal process. While we have no control over the timeline in receiving a decision from CMS we hope to begin implementation on July 1, 2021.