



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

January 28, 2021

The Honorable Randy McNally
Lt. Governor and Speaker of the Senate
425 5th Avenue North
Suite 700 Cordell Hull Bldg.
Nashville, TN 37243

The Honorable Cameron Sexton
Speaker of the House of Representatives
425 5th Avenue North
Suite 600 Cordell Hull Bldg.
Nashville, TN 37243

Dear Lt. Gov. McNally and Speaker Sexton:

Pursuant to TCA 71-5-1402(g), please find below expenditures for nursing facility services and home and community-based services made under the CHOICES program during Fiscal Year 2020, and the updated projected expenditures for Fiscal Year 2021. FY 2020 CHOICES expenditures reflect payments made by MCOs to nursing home and HCBS providers for long-term services and supports. FY 2021 expenditures are projected based on expenditure history to date.

Expenditures	SFY20 (actual)	SFY21 (projected)
Nursing Home	\$ 1,103,487,850	\$ 1,136,592,500
HCBS	\$ 295,653,500	\$ 307,479,650
Total	\$ 1,399,141,350	\$1, 444,072,150

Projected Fiscal Year 2022 expenditures and the percentage of nursing facility services and home and community-based services relative to total expenditures for the CHOICES long-term services and supports program will be provided by June 30, 2021.

Also, please find below expenditures made under the Employment and Community First CHOICES program during Fiscal Year 2020, and the updated projected expenditures for Fiscal Year 2021. For both years, this represents a partial year of expenditures for individuals enrolled in the program during that budget year. The base budget contemplates the level of funding that will be needed to provide these services on a continuous basis going forward. The significant reduction in projected FY 21 expenditures for Employment and Community First CHOICES since the June 2020 report reflects the loss of previously approved funding to serve individuals in Groups 7 and 8 and 1,000 individuals from the waiting list due to COVID-related budget impacts.

<u>Expenditures</u>	SFY20 (actual)	SFY21 (projected)
	\$ 130,114,400	\$ 162,916,100

Projected Fiscal Year 2022 expenditures for home and community-based services provided under the program will also be provided by June 30, 2021.

Sincerely,



Stephen M. Smith
Director

CC: Honorable Members of the General Assembly