



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

October 27, 2017

TO: Nursing Facility (NF) Providers
FROM: William Aaron, Chief Financial Officer
RE: Nursing Home Cost Reports

Medicaid-participating nursing facilities in the state of Tennessee will still be required to submit level 1 and 2 cost reports at least through cost report year end dates ending in 3/31/2018. Having these cost reports will facilitate the process of transitioning into a new price-based per diem system.

The state plans to move towards the Medicare cost report and the Medicaid supplemental cost report in the future when implementing this model. There will be a follow up communication issued from TennCare regarding when old level 1 and 2 cost report submissions will no longer be needed. Until receiving such communication, please continue to provide level 1 and 2 cost reports as you have in the past.

Please contact Brett Elder at 615.770.5168 or at Brett.Elder@tn.gov with questions.

Regards,

William Aaron
Chief Financial Officer
Division of TennCare