

Are you thinking about providing Enhanced Respiratory Care (ERC) services in a nursing facility in Tennessee?

This document provides information regarding TennCare reimbursement for these services that you may want to consider.

1. To be eligible for TennCare reimbursement of ERC services in a nursing facility, the facility must be:
 - a. Dual certified by the Centers for Medicare and Medicaid Services for the provision of Medicare Skilled Nursing Facility and Medicaid Nursing Facility services; and
 - b. Licensed by the Tennessee Board for Licensing Health Care Facilities.
2. In addition to licensure requirements for all nursing facilities in Tennessee, there are specific licensure requirements that pertain to facilities providing ventilator care (see 1200-08-06-.06(12) available at: <http://publications.tnsosfiles.com/rules/1200/1200-08/1200-08-06.20161016.pdf>).
3. These licensure requirements are applicable regardless of payer source (Medicare, Medicaid, etc.)
4. To be eligible for TennCare reimbursement of ERC services, there are additional standards—for ventilator care and for tracheal suctioning. These standards are available at: [TennCare Rules 1200-13-01-.03\(5\)](#).
5. Even if a facility is dual certified and licensed for the provision of ventilator care, it does not obligate a TennCare MCO to contract with such provider *for ERC reimbursement*.
6. If a facility does not have a contract with the TennCare MCO *specifically* for ERC reimbursement (not just Medicaid NF services), it will not be eligible for ERC reimbursement for any of the MCO's members in that facility, even if the member has an approved Pre Admission Evaluation for such level of reimbursement.
7. **A moratorium is in place on new TennCare contracts for ERC reimbursement** *except* when an exception is requested by an MCO and granted by TennCare based on the MCO's demonstration of the need for additional capacity or improved quality in the geographic area in which the NF is located.
8. At a minimum, TennCare review of requests for exception to the moratorium will take into account:
 - a. The need for increased quality or capacity in the region to be served;
 - b. The organization's experience in delivering ERC services – documentation of outcomes is recommended;
 - c. The organization's CMS Five-Star quality rating and history of clinical and survey performance;
 - d. The organization's timeline for becoming a fully functional Medicaid ERC facility, if approved – this includes construction, licensure, operational site, adequate staffing and equipment, etc., and
 - e. The results of a site visit by the MCO or its contracted ERC experts that will include an assessment of facility readiness and care quality.
9. ERC reimbursement is an add-on payment to the facility's per diem rate. The amount of the add-on payment is based on the facility's performance on quality outcome and technology measures. Facilities must demonstrate high quality in order to be eligible for higher levels of payment. These quality expectations must be understood and modeled by a potential vent care provider.

10. For a newly TennCare contracted ERC facility, at least six (6) months of quality outcome and technology performance data **on all ERC patients** must be submitted in order to determine the facility's quality tier and the facility's add-on payment for ERC reimbursement. This requires a minimum of six (6) months of quality performance data, regardless of payer source. Until the ERC payment amount can be established, the facility will be reimbursed at the facility's established rate for Medicaid NF services.
11. To express an interest in becoming a TennCare ERC provider, please e-mail ERC.LTSS@tn.gov. We can provide MCO contacts so you can initiate discussions with them in order to discern TennCare contracting potential.
12. More information about TennCare's Enhanced Respiratory Care Quality Improvement Initiative can be found at <https://www.tn.gov/assets/entities/tenncare/attachments/ERCQualityImprovementPlan.pdf>. Note that some of the information in that document has changed as the initiative has evolved.