

Notice of Change in TennCare III Demonstration: Amendment 1

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The Commissioner of the Tennessee Department of Finance & Administration is providing official notification of intent to file an amendment to the TennCare III Demonstration. This amendment, which will be known as “Amendment 1,” will be filed with the Centers for Medicare & Medicaid Services (CMS).

Description of Amendment and Affected Populations

In Amendment 1, the state is requesting the following modifications to the TennCare demonstration:

- Integrate services for members with intellectual disabilities into the TennCare managed care program¹;
- Transition the care of children receiving Supplemental Security Income (SSI) benefits from the TennCare Select health plan to one of the other health plans that serves TennCare members;
- Assign inmates of public institutions to the TennCare Select health plan; and
- Extend TennCare’s medication therapy management pilot program for 12 months.

More detail on these proposed modifications is included in the state’s draft amendment located at

<https://www.tn.gov/content/dam/tn/tenncare/documents2/Amendment1DraftVersion.pdf>.

Expected Impact on Enrollment and Expenditures

Amendment 1 will not result in any increase or decrease in enrollment in the TennCare demonstration. TennCare eligibility and benefits are not affected by Amendment 1 (except for the extension of the state’s medication therapy management benefit for 12 months).

Implementation of Amendment 1 is expected to result in an increase of approximately \$1 billion in annual aggregate expenditures under the TennCare demonstration. Note that these are not new expenditures for TennCare, but under Amendment 1 these expenditures will be integrated into the larger managed care program authorized under the state’s 1115

¹ Specific services to be integrated are intermediate care facility services for individuals with intellectual disabilities (ICF/IID services) and 1915(c) waiver home- and community-based services (HCBS).



demonstration. As part of this amendment, the aggregate budget neutrality cap applied to the TennCare demonstration will be adjusted to reflect the integration of these services.

Public Notice Process

This is the second public notice that TennCare has posted about these proposed changes. TennCare's first public notice period regarding these proposed changes took place from November 9, 2020, through December 11, 2020. At that time, these modifications were included in a draft application to extend the TennCare II demonstration (the precursor to the TennCare III demonstration).

With the approval of the TennCare III demonstration on January 8, 2021, the state is not proceeding with its application to extend the TennCare II demonstration. Instead, the proposed changes that were described in the TennCare II public notice will now be submitted to CMS as a standalone amendment (Amendment 1) to the TennCare III demonstration.

In order to ensure maximum transparency, the state is providing a new public notice regarding these proposed changes. Members of the public who wish to comment on this proposed amendment may do so until March 5, 2021. *Individuals and organizations that submitted comments on these proposed changes during the prior public notice period do not need to re-submit those comments.* TennCare is in receipt of and is reviewing all comments received in response to its November public notice.

Members of the public who wish to comment on the proposed amendment may do so through either of the following options:

- Comments may be sent by email to public.notice.tennCare@tn.gov.
- Comments may be mailed to

Aaron Butler, Director of Policy
Division of TennCare
310 Great Circle Road
Nashville, TN 37243.

In order to be considered for the final draft of Amendment 1, comments must be received no later than March 5, 2021.



In addition, TennCare will hold an additional public hearing on these proposed changes at 11:00 a.m. CT on March 5, 2021. This hearing will be held electronically. Members of the public interested in attending this hearing may access the event at <https://tngov.webex.com/meet/JReeve> on the morning of March 5, 2021.

Individuals with disabilities or individuals with limited English proficiency who wish to participate in the hearing and who may require language or communication assistance to do so should contact Talley Olson of TennCare's Office of Civil Rights Compliance by phone at (855) 857-1673 or by email at HCFA.fairtreatment@tn.gov prior to the date of the hearing.

Draft of Amendment 1

A draft of TennCare's proposed demonstration amendment is available at <https://www.tn.gov/content/dam/tn/tenncare/documents2/Amendment1DraftVersion.pdf>.

