

Notice of Change in TennCare II Demonstration: Amendment 40

The Commissioner of the Tennessee Department of Finance & Administration is providing official notification of intent to file an amendment to the TennCare II Demonstration. This amendment, which will be known as “Amendment 40,” is being filed with the Centers for Medicare & Medicaid Services (CMS).

Description of Amendment and Affected Populations

TennCare is a comprehensive managed care program that provides the full range of Medicaid benefits to approximately 1.4 million Medicaid and demonstration eligibles in Tennessee. In Amendment 40, TennCare proposes to establish a “Katie Beckett” program to provide services and supports to children under age 18 with disabilities and/or complex medical needs who do not currently qualify for TennCare because of their parents’ income or assets.

The Katie Beckett program proposed in Amendment 40 will be composed of two parts. Part A will target (and prioritize enrollment of) children with the most significant disabilities or complex medical needs who meet the criteria for an institutional level of care. These individuals must be under age 18; have medical needs that are likely to last at least 12 months or result in death, and which result in severe functional limitations; qualify for care in a medical institution; and but for the parents’ income would qualify for supplemental security income (SSI) on the basis of the child’s disability. Individuals enrolled in Part A will receive the full TennCare benefits package, including all benefits provided under the early and periodic screening, diagnosis, and treatment (EPSDT) program, as well as case management and essential wraparound home- and community-based services (HCBS). The total cost of wraparound HCBS cannot exceed \$15,000 per member per calendar year.

In order to help offset program costs and ensure program sustainability, as a condition of enrollment into Part A, the child’s parents must purchase and maintain private or employer-sponsored insurance for primary coverage. TennCare may grant a hardship waiver of this requirement if the cost of employer-sponsored or private insurance would exceed a specified percentage of the family’s income. In addition, parents with income above 150 percent of the federal poverty level (FPL) will be required to pay a monthly premium based on the parents’ income (and adjusted by the cost of the child’s private insurance).

Part B will be a Medicaid diversion program for children with disabilities and/or complex medical needs. These individuals must be under age 18; have medical needs that are likely to last at least 12 months or result in death, and which result in severe functional limitations; and qualify for care in a medical institution or be at risk of institutional placement. Individuals enrolled in Part B will receive a capped package of essential wraparound services and supports that includes health insurance premium assistance, automated health care and related expenses reimbursement, individualized therapeutic support reimbursement, self-directed respite and/or supportive home care, and specified HCBS.

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Services for individuals enrolled in Part B would be subject to a combined maximum of \$10,000 per member per year.

Both Parts A and B are subject to the availability of state appropriations, and will enroll as many children as can be served within approved program funding.

In addition to Parts A and B, Amendment 40 provides for continued TennCare eligibility for children already enrolled in TennCare, who subsequently lose TennCare eligibility, and who would qualify for enrollment in Part A but for whom no Part A program slot is available.

Expected Impact on Enrollment and Expenditures

Amendment 40 is expected to result in up to 300 individuals enrolled in Part A and up to 2,700 individuals enrolled in Part B. As noted above, enrollment in the program is subject to appropriations made by the Tennessee General Assembly for that purpose. Implementation of Amendment 40 is expected to result in an increase in annual aggregate expenditures of \$77 million.

Hypothesis and Evaluation Parameters

The State's proposed evaluation of Amendment 40 will focus on three factors: (1) the extent to which children enrolled in the Katie Beckett program receive services and supports in the most integrated setting appropriate, avoiding the need for long-term institutional placement; (2) the extent to which children receiving supportive services and their families maintain or experience an improvement in quality of life; and (3) the extent to which providing targeted essential supports as well as premium assistance to children in Part B delays the need for Medicaid eligibility.

Waiver and Expenditure Authorities Requested

To implement Amendment 40, the State will request expenditure authority under Section 1115(a)(2) of the Social Security Act to establish new eligibility categories within the TennCare demonstration for qualifying children, and to provide services and supports as detailed in the State's draft amendment to children enrolled in those new eligibility categories.

Public Notice Process

TennCare has taken a variety of steps to ensure that members of the public are notified of Amendment 40. These measures include the development and maintenance of this webpage, as well as notices published in the newspapers of widest circulation in Tennessee cities with 50,000 or more residents. TennCare has disseminated information about the proposed amendment via its social media accounts

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(e.g., Facebook, Twitter). TennCare has also notified members of the Tennessee General Assembly of its intent to submit Amendment 40.

Public Input Process

TennCare is seeking feedback on Amendment 40 prior to its submission to CMS. Members of the public are invited to offer comments regarding Amendment 40 from August 5, 2019, through September 6, 2019.

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

Gabe Roberts, Director
Division of TennCare
310 Great Circle Road
Nashville, TN 37243.

Individuals who prefer to make their comments in person may attend one of the following public hearings to comment on Amendment 40:

East Tennessee

Location: John T. O'Connor Senior Center, 611 Winona Street, Knoxville, Tennessee

Date: Tuesday, August 20

Time: 1:00 p.m. Eastern Time

West Tennessee

Location: STAR Center, 1119 Old Humboldt Road, Jackson, Tennessee

Date: Wednesday, August 21

Time: 1:00 p.m. Central Time

Middle Tennessee

Location: Bordeaux branch of Nashville Public Library, 4000 Clarksville Pike, Nashville, Tennessee

Date: Thursday, August 22

Time: 2:00 p.m. Central Time

Individuals with disabilities or individuals with limited English proficiency who wish to participate in one of the hearings and who may require language or communication assistance to do so should contact

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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.

TennCare always appreciates input. In order to be considered for the final draft of Amendment 40, feedback must be received no later than September 6, 2019. Individuals wishing to view comments submitted by members of the public may submit their requests to the same physical address and/or email address at which comments are being accepted.

Draft of Amendment 40

A draft of TennCare's proposed demonstration amendment is located at <https://www.tn.gov/content/dam/tn/tenncare/documents2/Amendment40.pdf>. Copies of the draft amendment are also available in each county office of the Tennessee Department of Health. Once comments received during the public input period have been reviewed and considered, a final draft of the amendment will be prepared. The final draft will be submitted to CMS and will then be made available through the webpage located at <https://www.tn.gov/tenncare/policy-guidelines/waiver-and-state-plan-public-notices.html>.

TennCare Page on CMS Web Site

As the federal agency with oversight authority over all Medicaid programs, CMS offers its own online resources regarding the TennCare Demonstration. Interested parties may view these materials at https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/waivers_faceted.html.