



Division of TennCare

TennCare II Demonstration

Project No. 11-W-00151/4

Amendment 43

DRAFT

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Amendment 43 to the TennCare II Demonstration

TennCare is an integrated managed care program that provides medical and behavioral health benefits to approximately 1.4 million Tennesseans. In Amendment 43, the state proposes to extend its medication therapy management pilot program for an additional 12 months.

I. Description of the Amendment

In 2017, Tennessee submitted a proposal to CMS to establish a two-year pilot project within the TennCare demonstration whereby certain TennCare members would receive a medication therapy management (MTM) benefit in addition to the traditional TennCare benefits package. MTM is a clinical service provided by licensed pharmacists, the aim of which is to optimize drug therapy and improve therapeutic outcomes for patients. MTM services include medication therapy reviews, pharmacotherapy consults, monitoring efficacy and safety of medication therapy, and other clinical services.

The state proposed to make its MTM benefit available to TennCare members affected by the state's patient-centered medical home (PCMH) and health home programs.¹ The state proposed to operate the MTM benefit on a two-year pilot basis in order to evaluate the impact of MTM services on health outcomes, as well as the cost and quality of care for affected members. Following CMS approval, TennCare began providing MTM services to PCMH and health home members in July 2018.

In this amendment, the state proposes to extend its MTM pilot program for an additional 12 months, through the end of June 2021. The purpose of this extension is to allow the state to gather additional data on the effectiveness of the MTM program. Based on program implementation to date, the state believes this additional time will help ensure the state has adequate data to assess the impact of the MTM initiative. At the end of this pilot period, the state will evaluate the effectiveness of the initiative to inform future decision-making about its continuation, discontinuation, and/or expansion to additional populations.

To effectuate this change, the state requests the following amendment to STC 29.g of the TennCare demonstration.

Individuals enrolled in the state's patient-centered medical home (PCMH) and health home programs are eligible to receive MTM, regardless of which eligibility group the individual qualifies under. This benefit will expire ~~two~~ three years after the implementation date of the state's MTM pilot program, not to exceed June 30, 2021, unless amended in accordance with the requirements of STC 7.

¹ Tennessee's health home program for persons with serious mental illness is generally referred to as "Tennessee Health Link."

Proposed Waiver and Expenditure Authorities

All waiver and expenditure authorities currently approved for the TennCare demonstration will continue to be in effect. The state is not requesting any new waiver or expenditure authorities to effectuate these changes.

Other Beneficiary Impacts

Amendment 43 will not result in any increase or decrease in enrollment in the TennCare demonstration. Eligibility for TennCare and cost sharing are unaffected by Amendment 43.

II. Expected Impact on Budget Neutrality

Implementation of Amendment 43 is expected to extend by one year TennCare’s annual aggregate MTM expenditures of approximately \$5.1 million. This amount will not materially alter the State’s budget neutrality demonstration.

Attached is an updated overview of the demonstration’s finances that reflects this adjustment.

III. Expected Impact on CHIP Allotment Neutrality

This amendment will not result in any changes to Tennessee’s CHIP allotment neutrality.

IV. Modifications to the Evaluation Design

The state does not anticipate modifying the demonstration evaluation design based on these changes.

V. Demonstration of Public Notice and Input

The state has used multiple mechanisms for notifying the public about this amendment and for soliciting public input on the amendment. These public notice and input procedures are informed by—and comply with—the requirements specified at 42 CFR § 431.408.

Public Notice

The State’s public notice and comment period began on February 12, 2020, and lasted through March 14, 2020. During this time, a comprehensive description of the amendment to be submitted to CMS was made available for public review and comment on an amendment-specific webpage on the TennCare website. An abbreviated public notice—which included a summary description of Amendment 43; the locations, dates, and times of two public hearings; and a link to the full public notice on the State’s amendment-specific webpage—was published in the newspapers of widest circulation in Tennessee cities with a population of 50,000 or more. TennCare disseminated information about the proposed

amendment, including a link to the relevant webpage, via its social media (i.e., Twitter, Facebook). TennCare also notified the members of the Tennessee General Assembly of Amendment 43 via an electronically transmitted letter.

The state held two public hearings to seek public comment on Amendment 43. The first hearing took place on February 26, 2020, at 12:00 p.m. Central Time at the TennCare Building, 310 Great Circle Road in Nashville. The second public hearing took place on February 28, 2020, at 2:00 p.m. Central Time at the Bellevue branch of the Nashville Public Library, 720 Baugh Road in Nashville. Telephonic access to the February 26 hearing (in the TennCare Building) was offered to individuals who were unable to attend in person and who notified the state of their desire to participate by telephone. Members of the public also had the option to submit comments throughout the notice period by mail and/or email. Documentation of the state’s public notice process is included as Appendix B.

Public Comments

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Appendix A

Anticipated Impact on Budget Neutrality

Baseline Budget Neutrality - Budget Impact Analysis

Amendment 43 - MTM extension

II. Actual Expenditures

Group 1 and 2

	Projected
	2021
1-Disabled (can be any ages)	\$ 2,250,372,897
2-Child <=18	\$ 2,121,636,142
3-Adult >= 65	\$ 2,121,425
4-Adult <= 64	\$ 1,772,917,974
Duals (17)	\$ 1,343,341,791
Total	7,490,390,228

Group 3

	2021
1-Disabled (can be any ages)	\$ 21,014,796
2-Child <=18	\$ 1,504,823
3-Adult >= 65	\$ 111,693,327
4-Adult <= 64	\$ 632,140
Duals (17)	\$ 338,922,595
Total	473,767,681

Projected Pool Payments and Admin

	2021
Total Pool & Admin	1,110,594,358

Total Net Quarterly Expenditures

\$ 9,074,752,267

III. Surplus/(Deficit) - Per change in CMS policy

Annual With Am 43 Changes
Cumulative With Am 43 Changes

	2021
Annual With Am 43 Changes	\$ (1,273,500)
Cumulative With Am 43 Changes	\$ 30,691,199,335

Annual Before Am 43 Changes
Difference

Annual Before Am 43 Changes	\$2,662,346,674
Difference	\$ (1,273,500)

Cumulative Before Am 43 Changes

Cumulative Before Am 43 Changes	\$30,692,472,835
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Difference

(1,273,500)

IV. Amendment 43 On-Off Switch

Amendment 43 (1 = yes,
0 = no)

1

Net FFP Impact of Amendment 43
FFP with Amendment 43

\$3,370,500
\$5,978,279,973

Changes related to Amendment 43 - MTM extension

Distribution - All Groups	2021
1-Disabled (can be any ages)	\$384,402
2-Child <=18	\$2,267,673
3-Adult >= 65	\$242,852
4-Adult <= 64	\$1,802,236
Duals	\$396,837
Total	\$5,094,000

Distribution - Group I and II	2021
1-Disabled (can be any ages)	\$384,402
2-Child <=18	\$2,267,427
3-Adult >= 65	\$1,150
4-Adult <= 64	\$1,797,647
Duals	\$396,837
Total	\$4,847,463

Distribution of - Group III	2021
1-Disabled (can be any ages)	\$0
2-Child <=18	\$0
3-Adult >= 65	\$241,606
4-Adult <= 64	\$4,931
Duals	\$0
Total	\$246,537