

# Notice of Change in Medicaid State Plan

*Published May 6, 2022*

The Commissioner of the Tennessee Department of Finance and Administration is providing official notification, pursuant to 42 CFR § 447.205, of intent to file an amendment to the Medicaid State Plan. This amendment will be filed with the Centers for Medicare and Medicaid Services (CMS).

The subject of this amendment is (1) TennCare coverage of COVID-19 vaccines and vaccine administration, (2) TennCare coverage of COVID-19 testing, and (3) TennCare coverage of services for the prevention and treatment of COVID-19. The American Rescue Plan Act of 2021 requires state Medicaid programs to cover COVID-19 vaccines<sup>1</sup> and vaccine administration, COVID-19 testing, and services for the prevention and treatment of COVID-19. The purpose of this amendment is to document TennCare's compliance with these requirements.

TennCare covers COVID-19 vaccines and vaccine administration, COVID-19 testing, and services for the prevention and treatment of COVID-19 for TennCare members, as medically necessary. Note that TennCare's coverage of over-the-counter, at-home COVID-19 tests is limited to 8 tests per member per month.

In general, TennCare reimbursement to providers for COVID-19-related services is the same as for all other covered services. In general, providers furnishing COVID-19 vaccine administration, testing, prevention, or treatment services will be reimbursed by the member's managed care organization (MCO).

For TennCare provider types who are outside the scope of the MCO program, the following reimbursement methodologies apply:

- Reimbursement to pharmacies for outpatient prescription drugs prescribed for the treatment or prevention of COVID-19 will be made in accordance with TennCare's existing reimbursement methodology for prescription drugs (based on a combination of ingredient cost and a professional dispensing fee).
- Reimbursement for COVID-19 vaccine administration for providers who are outside the scope of TennCare's managed care program (i.e., pharmacists, pharmacy

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<sup>1</sup> Currently, the federal government is purchasing COVID-19 vaccines on behalf of state Medicaid programs.

technicians, state-authorized pharmacy interns, and/or pharmacies who are not contracted with TennCare MCOs) will continue to be made at 100 percent of Medicare payment rates.

- TennCare reimbursement to pharmacies for over-the-counter, at-home COVID-19 tests will follow TennCare's existing reimbursement methodology for outpatient prescription drugs, subject to a maximum reimbursement per type of test. This maximum reimbursement is listed at <https://www.optumrx.com/content/dam/openenrollment/pdfs/TennCare/home-page/recent-tenncare-updates/2022/COVID%20Test%20Pharmacy%20Processing%20Update%2001.15.2022.pdf>

The proposed effective date of this amendment is March 11, 2021. Because TennCare already covers COVID-19 vaccines and vaccine administration, COVID-19 testing, and services for the prevention and treatment of COVID-19, this amendment will not result in changes in expenditures under the TennCare program.

Copies of this notice will be available in each county office of the Tennessee Department of Health. Written comments concerning the amendment may be submitted by email to [public.notice.tennCare@tn.gov](mailto:public.notice.tennCare@tn.gov) or may be mailed to

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

Persons wishing to review copies of written comments received may submit their requests to the same email and/or physical address.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-855-259-0701 (TTY: 1-800-848-0298).

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