



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION
BUREAU OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

March 5, 2015

Eliot Fishman, Ph.D., Director
Children and Adults Health Programs Group
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 23244-1850

RE: TennCare II Demonstration (No. 11-W-00151/4), Amendment 18 (update)

Dear Dr. Fishman:

On March 7, 2013, we filed a proposed Amendment 18. The subject of Amendment 18 was Assisted Care Living Facility (ACLF) services and CHOICES Group 3.

ACLF services are currently available only to individuals in CHOICES Group 2 who qualify for the Nursing Facility level of care. Under Amendment 18, we proposed making these services available to individuals in CHOICES Group 3 when the individual's Managed Care Organization has determined that the cost of services in an ACLF will not exceed the cost of CHOICES HCBS that would otherwise be needed by the member to be safely served in the community and to delay or prevent NF placement. A copy of our letter is attached.

On June 26, 2013, we had asked that Amendment 18 be put on hold pending the publication of the new HCBS regulations. We have had the opportunity to thoroughly familiarize ourselves with those regulations, and we have submitted a Statewide Transition Plan which includes settings in which HCBS are delivered in the TennCare CHOICES program. We are now prepared to move forward with Amendment 18.

We are hopeful that Amendment 18 can be approved in conjunction with Amendment 24, also pertaining to Community Based Residential Alternative services in the CHOICES

program, with a proposed effective date of July 1, 2015. The changes described in Exhibit 1 of Amendment 24 would be sufficient to include authority for Amendment 18.

Please let us know if we can assist you or your staff in your review of Amendment 18.

Sincerely,



Darin J. Gordon
Director

cc: Megan Lepore, TennCare Project Officer, Baltimore
Andrea Casart, Technical Director, Baltimore
Jackie Glaze, Associate Regional Administrator, Atlanta Regional Office
Trina Roberts, Branch Manager, Atlanta Regional Office
Kenni Howard, State Coordinator for Tennessee, Atlanta Regional Office



STATE OF TENNESSEE
BUREAU OF TENNCARE
DEPARTMENT OF FINANCE AND ADMINISTRATION
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

March 7, 2013

Jennifer Ryan, Acting Director
Family and Children's Health Programs Group
Centers for Medicare and Medicaid Services
Center for Medicaid, CHIP, and Survey & Certification
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 23244-1850

RE: TennCare II demonstration (No. 11-W-00151/4), Amendment #18

Dear Ms. Ryan:

One of the covered services in our CHOICES program is Assisted Care Living Facility (ACLF) services, which are defined in Attachment D of the demonstration as community-based residential alternatives to Nursing Facility (NF) care. ACLFs provide or arrange for a number of services in a home-like setting for persons who need assistance with their Activities of Daily Living (ADLs). At present, ACLF services are available only to individuals in CHOICES Group 2, which is the component of our program that delivers HCBS to individuals who qualify for NF care and who, in the absence of CHOICES, would require placement in a NF.

Proposed changes. The purpose of our proposed Amendment #18 is to make ACLF services available under certain circumstances to persons in CHOICES Group 3, which is the component of our program that delivers HCBS to individuals who are at risk for NF placement. Under the proposed change, ACLF services (excluding room and board, as required pursuant to federal law) would be covered for CHOICES Group 3 members only in instances where the member's Managed Care Organization (MCO) determines that the cost of services in an ACLF will not exceed the cost of CHOICES HCBS that would otherwise be needed by the member to be safely served in the community and to delay or prevent NF placement. This proposal would allow us to add this service without increasing the overall cost of program benefits.

Public notice. These changes have been published for public comment in newspapers of general circulation, in accordance with the public notice requirements of paragraph 15 of the Special Terms and Conditions. Information about the proposals has been posted on the state's website, with a vehicle for comments included. We have received three comments, all of which were supportive of the change.

CHIP Allotment Neutrality Worksheet. There is no need for a CHIP Allotment Neutrality Worksheet, since the proposed changes do not affect children.

Evaluation Design. The state does not anticipate modifying the Evaluation Design at this time:

Data Analysis. Since there are no cost increases or decreases proposed, a data analysis is not needed.

We will be glad to work with you and your staff as you review Amendment #18. We are requesting a July 1, 2013, Implementation date.

Thank you for your attention to this important matter.

Sincerely,



Darln J. Gordon
Director, Bureau of TennCare

cc: Jessica Woodard, TennCare Project Officer, Center for Medicaid, CHIP and Survey & Certification, Baltimore
Andrea Casart, Technical Director, Center for Medicaid, CHIP and Survey & Certification, Baltimore
Jackie Glaze, Associate Regional Administrator, Atlanta Regional Office
Trina Roberts, Branch Manager, Medicaid and CHIP Policy, Atlanta Regional Office
Kenni Howard, State Coordinator for Tennessee, Atlanta Regional Office