



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 4, 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 #24

Dear Dr. Fishman:

In accordance with paragraph 7 of our Special Terms and Conditions, we are requesting permission to add two new service definitions to Attachment D ("Glossary of Terms for TennCare CHOICES"). These are Community Based Residential Alternative services. As you are aware, Community Based Residential Alternatives are currently defined in Attachment D of the Special Terms and Conditions and approved for individuals in CHOICES Group 2 as set forth in Table 2b "Benefits for Persons Enrolled in the CHOICES Program." Community Based Residential Alternative services currently defined in Attachment D include:

- Adult care homes
- Assisted care living facilities
- Companion care

Proposed Changes. The new definitions to be added to Attachment D, the revised definition of Community Based Residential Alternative Services to include these new service models, and the corresponding changes to Table 2b are provided in Exhibit 1. The addition of the two services will provide important new residential alternatives for persons participating in the CHOICES program.

- Community Living Supports (CLS)
- Community Living Supports--Family Model (CLS-FM)

The new services will comport fully with standards applicable to HCBS settings delivered under Section 1915(c), including those requirements applicable to provider-owned or controlled homes, as applicable, except as supported by the individual's specific assessed need and set forth in the person-centered plan of care.

The development and implementation of a plan to expand appropriate cost-effective community-based residential alternatives to institutional care is required pursuant to the Long-Term Care Community Choices Act, which authorized the CHOICES program in 2008 (see TCA 71-5-1411), and is an important part of the State of Tennessee's plan for compliance with the ADA.

Providers of the new services will be licensed by the Department of Intellectual and Developmental Disabilities (DIDD), pursuant to statutory requirements set forth in Title 33 of the Tennessee Code Annotated and in Rule Chapter 0940-05 of the Department of Mental Health and Substance Abuse Services. Providers licensed under these statutory and regulatory licensing requirements have delivered services to individuals with intellectual disabilities in TennCare's Section 1915(c) waiver programs for many years.

To ensure quality of care, TennCare intends to contract with the Department of Intellectual and Developmental Disabilities (DIDD), the operating agency for the state's three Section 1915(c) waivers for individuals with intellectual disabilities, to conduct quality monitoring surveys of providers of CLS and CLS-FM services. We will thus build on a well-developed quality strategy that has been hailed by CMS in the most recent evidentiary review of the 1915(c) waivers as a "model of best practices" to establish performance measures and processes for discovery, remediation, and ongoing data analysis and quality improvement regarding CLS services. In addition to providing data specific to the quality of these services offered in the CHOICES program, this will ensure that TennCare has a comprehensive perspective of quality performance and strategies for quality improvement across the LTSS system as a whole. TennCare also intends to work with Area Agencies on Agency and Disability to ensure the availability of Ombudsmen services for individuals receiving CLS and CLS-FM services and will begin participating in National Core Indicators Aging and Disabilities to assess quality of life, community integration, and person-centered services for CHOICES members.

Both CLS and CLS-FM will include multiple levels of reimbursement depending on the needs of the person receiving support. Certain levels of reimbursement for each service will be available to individuals enrolled in CHOICES 3 when the cost of CLS or CLS-FM services, as applicable, will not exceed the cost of CHOICES HCBS that would otherwise be needed by the member to 1) safely transition from a nursing facility to the community; or 2) to continue being safely served in the community and to delay or prevent nursing facility placement; and will be levels of reimbursement that can be provided within the \$15,000 expenditure cap applicable for persons in CHOICES 3. Higher levels of reimbursement will be available to individuals enrolled in CHOICES 2 who meet NF level of care and who are receiving such services as an alternative to

institutional are. These are levels of reimbursement that can be provided within the individual cost neutrality cap applicable for persons in CHOICES 2.

Public Notice. The changes requested in this Amendment were published for public comment in newspapers of largest circulation in cities of 50,000 or more people across the state and posted on the state's website, with vehicles for comments included. Only two comment letters were received, both from groups representing the interests of nursing home and assisted care living facility providers. They asked questions about licensure and oversight of CLS and CLS-FM providers and about the state's public notice process. The state responded to these comments.

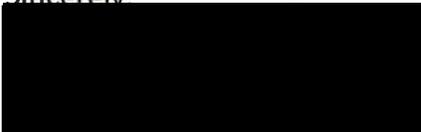
Evaluation Design. The state does not anticipate modifying the Evaluation Design at this time.

Data Analysis. CLS and CLS-FM services will be covered only in situations where it does not cost more than the MCO would otherwise spend for HCBS in other settings. 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 24. We are requesting a July 1, 2015, implementation date.

Thank you for your attention to this important matter.

Sincerely,

A black rectangular redaction box covering the signature of Darin J. Gordon.

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

Exhibit 1
Changes Associated with Amendment 24

1. **Paragraph 28, Table 2b.** Add an “X” to the row labeled “Community-Based Residential Alternatives” in the column labeled “CHOICES 3” so that the new row will read as shown below. Add a double asterisk to the new “X” in CHOICES 3 and add a footnote beneath the table as shown below.

<u>Benefit</u>	<u>CHOICES</u> <u>1</u>	<u>CHOICES</u> <u>2</u>	<u>CHOICES</u> <u>3</u>
Community based residential alternatives	X	X	X**

**CBRAs available to individuals in Group 3 include only Assisted Care Living Facility services and CLS and CLS-FM that can be provided within the limitations set forth in 28.h.iii, when the cost of such services will not exceed the cost of CHOICES HCBS that would otherwise be needed by the member to 1) safely transition from a nursing facility to the community; or 2) continue being safely served in the community and to delay or prevent nursing facility placement.

2. **Attachment D.** Revise the following definition:

Community-based residential alternatives to institutional care (Community-based residential alternatives). Residential services which offer a cost-effective, community-based alternative to nursing facility care for persons who are elderly and/or adults with physical disabilities. This includes, but is not limited to, assisted care living facilities, adult care homes, community living supports, community living supports – family model, and companion care.

3. **Attachment D.** Add the following new definitions:

Community living supports (CLS). A community-based residential alternative service for seniors and adults with disabilities that encompasses a continuum of support options for up to four individuals living in a home that supports each resident’s independence and full integration into the community, ensures each resident’s choice and rights, and comports fully with standards applicable to HCBS settings delivered under Section 1915(c), including those requirements applicable to provider-owned or controlled homes, as applicable, except as supported by the individual’s specific assessed need and set forth in the person-centered plan of care.

CLS services are individualized based on the needs of each resident and specified in the person-centered plan of care. Services may include hands-on assistance, supervision,

transportation, and other supports intended to help the individual exercise choices such as:

- Selecting and moving into a home
- Locating and choosing suitable housemates
- Acquiring and maintaining household furnishings
- Acquiring, retaining, or improving skills needed for activities of daily living or assistance with activities of daily living as needed, such as bathing, dressing, personal hygiene and grooming, eating, toileting, transfer, and mobility
- Acquiring, retaining, or improving skills needed for instrumental activities of daily living or assistance with instrumental activities of daily living as needed, such as household chores, meal planning, shopping, preparation and storage of food; and managing personal finances
- Building and maintaining interpersonal relationships with family and friends
- Pursuing educational goals and employment opportunities
- Participating fully in community life, including faith-based, social, and leisure activities selected by the individual
- Scheduling and attending appropriate medical services
- Self-administering medications, including assistance with administration of medications as permitted pursuant to T.C.A. §§ 68-1-904 and 71-5-1414
- Managing acute or chronic health conditions, including nurse oversight and monitoring, and skilled nursing services as needed for routine, ongoing health care tasks, such as blood sugar monitoring and management, oral suctioning, tube feeding, bowel care, etc.
- Becoming aware of, and effectively using, transportation, police, fire, and emergency help available in the community to the general public, and
- Asserting civil and statutory rights through self-advocacy.

Community living supports—Family model (CLS-FM). A community-based residential alternative service for seniors and adults with disabilities encompassing a continuum of support options for up to three individuals living in the home of trained family caregivers (other than the individual's own family) in an adult foster care arrangement. In this type of shared living arrangement, the provider allows the individual(s) to move into his or her existing home in order to integrate the individual into the shared experiences of a home and a family, provide the individualized services that support each resident's independence and full integration into the community. ensure each resident's choice and rights, and support each resident in a manner that comports fully with standards applicable to HCBS settings delivered under Section 1915(c), including those requirements applicable to provider-owned or controlled homes, except as supported by the individual's specific assessed need and set forth in the person-centered plan of care.

CLS-FM services are individualized based on the needs of each resident and specified in the person-centered plan of care. Services may include hands-on assistance, supervision, transportation, and other supports intended to help the individual exercise choices such as:

- Selecting and moving into a home
- Locating and choosing suitable housemates
- Acquiring and maintaining household furnishings
- Acquiring, retaining, or improving skills needed for activities of daily living or assistance with activities of daily living as needed, such as bathing, dressing, personal hygiene and grooming, eating, toileting, transfer, and mobility
- Acquiring, retaining, or improving skills needed for instrumental activities of daily living or assistance with instrumental activities of daily living as needed, such as household chores, meal planning, shopping, preparation and storage of food; and managing personal finances
- Building and maintaining interpersonal relationships with family and friends
- Pursuing educational goals and employment opportunities
- Participating fully in community life, including faith-based, social, and leisure activities selected by the individual
- Scheduling and attending appropriate medical services
- Self-administering medications, including assistance with administration of medications as permitted pursuant to T.C.A. §§ 68-1-904 and 71-5-1414
- Managing acute or chronic health conditions, including nurse oversight and monitoring, and skilled nursing services as needed for routine, ongoing health care tasks, such as blood sugar monitoring and management, oral suctioning, tube feeding, bowel care, etc.
- Becoming aware of, and effectively using, transportation, police, fire, and emergency help available in the community to the general public, and
- Asserting civil and statutory rights through self-advocacy.