DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

Children and Adults Health Programs Group

August 13, 2012

Mr. Darin Gordon Director Bureau of TennCare Tennessee Department of Finance and Administration 310 Great Circle Road Nashville, TN 37243

Dear Mr. Gordon:

Thank you for your recent request to extend the State's TennCare II section 1115 demonstration (11-W-00151/4) received on June 29th, 2012.

Section 1115(f) of the Social Security Action (the Act) specifies the process under which a request for an extension of a waiver project that "is operating under an extension under subsection (e)...shall be submitted and approved or disapproved." In accordance with this section, the Centers for Medicare & Medicaid Services (CMS) acknowledges receipt of the State's extension request, which was submitted 1 year prior to the June 30, 2013 expiration date of this demonstration.

Unlike section 1115(e), section 1115(f) of the Act does not require that the extension be awarded under the same terms and conditions as the original demonstration. This means that States and CMS may negotiate new terms and conditions, including but not limited to terms regarding budget neutrality. Please be advised that all provisions of title XIX, including the amendments added by the Affordable Care Act of 2010 (ACA), apply to demonstrations extended under section 1115(f) of the Act unless specifically waived.

As required by statute, this letters serves as notification that CMS intends to review the special terms and conditions of the current demonstration, including, but not limited to, waivers and expenditure authorities. If CMS determines that any changes are necessary, we will notify you within 45 days of the date of this letter.

If you have additional questions or concerns, please contact your assigned project officer Jessica Woodard, Division of State Demonstrations and Waivers, at (410) 786-9249, or at Jessica. Woodard@cms.hhs.gov.

Sincerely,

/s/

Victoria Wachino, Director Children and Adults Health Programs Group

cc: Allison Orris, CMCS
Jackie Glaze, ARA, CMS Atlanta Regional Office
Jessica Woodard, CMCS