



Children and Adults Health Programs Group

June 7, 2013

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

Dear Mr. Gordon:

The Centers for Medicare & Medicaid Services (CMS) is issuing technical corrections to the Tennessee section 1115 Medicaid demonstration, entitled “TennCare II”, (Project # 11-W-00151/4), under the authority of section 1115(f) of the Social Security Act (the Act) to ensure that the Special Terms and Conditions (STCs) reflect how the state is currently operating its demonstration.

Specifically, we are revising the STCs, the waiver and expenditure authorities approved on December 31, 2012, to reflect the following:

- CMS is deleting the word “admission”, from expenditure authority #14 for individuals continuing to receive care under the Program of All-Inclusive Care for the Elderly (PACE). This change reflects that the individual is enrolled in TennCare, and not necessarily that they are admitted into the PACE program.
- TennCare enrollment numbers are updated in the Program Description and Objectives.
- In the Eligibility section, all references that allude to CHOICES not being fully implemented are removed. The effective date of the new nursing facility level of care requirements is updated. References to the adult Medically Needy Rollover group, which was closed in 2005, is removed. References are added to address the PACE Carryover group.
- Corrections are made to the Benefits section to accurately reflect benefits that apply to the Carryover groups.
- The CHOICES section is updated to reflect the new level of care beginning January 1, 2014 and the closure of the Interim CHOICES 3 group and clarified language related to CHOICES waiting lists and enrollment targets. Homemaker services are also consolidated as part of attendant care and personal care visit services provided for individuals in long-term care.
- The charts in the Cost Sharing section are updated to reflect the implementation of the state’s compliance plan on January 1, 2013.

- Language in the Delivery Systems section is updated to reflect that the state has already submitted contract requirements related to person-centered service plans for individuals receiving long-term services and supports under the CHOICES programs.
- General Reporting Requirements are updated to coincide with the Schedule of Deliverables in Section XIV and the state has updated its progress on providing updates to its Transition Plan.
- Based on discussions during previous amendments, in the General Financial Requirements section, the eligibility groups are revised to accurately reflect under what categories TennCare II members fall. References to the demonstration years for the extension period are updated, i.e. DY 12 through DY 14.
- The Budget Neutrality section is updated to accurately reflect revised eligibility groups.
- In the Evaluation of the Demonstration section, the language for submitting a draft evaluation plan is removed since the state has an approved evaluation plan. The remainder of the evaluation plan language is added to STC 68 and 69 to require the state to submit measures that apply to the studies for retroactive eligibility and uncompensated care pools.
- The Final Annual Report is added to the Schedule of Deliverables section.
- Attachment A is given the title, “QUARTERLY PROGRESS REPORT”, and the attachment format is updated to remove the eligibility groups that are no longer open under the demonstration.
- Some definitions of the CHOICES benefits are updated and moved to be in alphabetical order.

CMS has reviewed the changes and believes these changes are technical in nature. Most of the changes made to the STCs clarified language in the document based on the agreed terms between the state and CMS. Therefore, CMS has incorporated the technical changes into the latest version of the STCs, which are enclosed with this letter.

We look forward to continuing to work with your staff on the administration of this demonstration.

Sincerely,

/s/

Diane T. Gerrits
Director,
Division of State Demonstrations and Waivers

Enclosure

Cc: Kenni Howard, CMS Atlanta Regional Office
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