



March 18, 2020

Judith Cash, Director
State Demonstrations Group
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-26-06
7500 Security Boulevard
Baltimore, Maryland 21244-1850

RE: TennCare II Demonstration (No. 11-W-00151/4), Amendment 43

Dear Ms. Cash,

The purpose of this letter is to request a change to the TennCare Demonstration. This change will be Demonstration Amendment 43.

As you may recall, in 2018 Tennessee received approval from CMS to implement a medication therapy management (MTM) pilot program for certain TennCare members. In Amendment 43, the state is proposing to extend its MTM pilot program by 12 months. This extension will allow the state additional time to gather data on the effectiveness of the MTM program in order to inform future decision-making about its continuation, discontinuation, and/or expansion to additional populations.

We are requesting a July 1, 2020, effective date for this amendment.

We look forward to working with you and your team as you review this amendment. If you have questions about this amendment, please contact Aaron Butler at 615.507.6448, or aaron.c.butler@tn.gov.

Thank you for your attention to this important matter.

Sincerely,

Stephen Smith
Director

cc: Lorraine Nawara, TennCare Project Officer
Tandra Hodges, Tennessee Coordinator



Division of TennCare

TennCare II Demonstration

Project No. 11-W-00151/4

Amendment 43

March 18, 2020

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Amendment 43 to the TennCare II Demonstration

TennCare is an integrated managed care program that provides medical and behavioral health benefits to approximately 1.4 million Tennesseans. In Amendment 43, the state proposes to extend its medication therapy management pilot program for an additional 12 months.

I. Description of the Amendment

In 2017, Tennessee submitted a proposal to CMS to establish a two-year pilot project within the TennCare demonstration whereby certain TennCare members would receive a medication therapy management (MTM) benefit in addition to the traditional TennCare benefits package. MTM is a clinical service provided by licensed pharmacists, the aim of which is to optimize drug therapy and improve therapeutic outcomes for patients. MTM services include medication therapy reviews, pharmacotherapy consults, monitoring efficacy and safety of medication therapy, and other clinical services.

The state proposed to make its MTM benefit available to TennCare members affected by the state's patient-centered medical home (PCMH) and health home programs.¹ The state proposed to operate the MTM benefit on a two-year pilot basis in order to evaluate the impact of MTM services on health outcomes, as well as the cost and quality of care for affected members. Following CMS approval, TennCare began providing MTM services to PCMH and health home members in July 2018.

In this amendment, the state proposes to extend its MTM pilot program for an additional 12 months, through the end of June 2021. The purpose of this extension is to allow the state to gather additional data on the effectiveness of the MTM program. Based on program implementation to date, the state believes this additional time will help ensure the state has adequate data to assess the impact of the MTM initiative. At the end of this pilot period, the state will evaluate the effectiveness of the initiative to inform future decision-making about its continuation, discontinuation, and/or expansion to additional populations.

To effectuate this change, the state requests the following amendment to STC 29.g of the TennCare demonstration.

Individuals enrolled in the state's patient-centered medical home (PCMH) and health home programs are eligible to receive MTM, regardless of which eligibility group the individual qualifies under. This benefit will expire ~~two~~ three years after the implementation date of the state's MTM pilot program, not to exceed June 30, 2021, unless amended in accordance with the requirements of STC 7.

¹ Tennessee's health home program for persons with serious mental illness is generally referred to as "Tennessee Health Link."

Proposed Waiver and Expenditure Authorities

All waiver and expenditure authorities currently approved for the TennCare demonstration will continue to be in effect. The state is not requesting any new waiver or expenditure authorities to effectuate these changes.

Other Beneficiary Impacts

Amendment 43 will not result in any increase or decrease in enrollment in the TennCare demonstration. Eligibility for TennCare and cost sharing are unaffected by Amendment 43.

II. Expected Impact on Budget Neutrality

Implementation of Amendment 43 is expected to extend by one year TennCare’s annual aggregate MTM expenditures of approximately \$5.1 million. This amount will not materially alter the State’s budget neutrality demonstration.

Attached is an updated overview of the demonstration’s finances that reflects this adjustment.

III. Expected Impact on CHIP Allotment Neutrality

This amendment will not result in any changes to Tennessee’s CHIP allotment neutrality.

IV. Modifications to the Evaluation Design

The state does not anticipate modifying the demonstration evaluation design based on these changes.

V. Demonstration of Public Notice and Input

The state has used multiple mechanisms for notifying the public about this amendment and for soliciting public input on the amendment. These public notice and input procedures are informed by—and comply with—the requirements specified at 42 CFR § 431.408.

Public Notice

The state’s public notice and comment period began on February 12, 2020, and lasted through March 14, 2020. During this time, a comprehensive description of the amendment to be submitted to CMS was made available for public review and comment on an amendment-specific webpage on the TennCare website. An abbreviated public notice—which included a summary description of Amendment 43; the locations, dates, and times of two public hearings; and a link to the full public notice on the State’s amendment-specific webpage—was published in the newspapers of widest circulation in Tennessee cities with a population of 50,000 or more. TennCare disseminated information about the proposed

amendment, including a link to the relevant webpage, via its social media (i.e., Twitter, Facebook). TennCare also notified the members of the Tennessee General Assembly of Amendment 43 via an electronically transmitted letter.

The state held two public hearings to seek public comment on Amendment 43. The first hearing took place on February 26, 2020, at 12:00 p.m. Central Time at the TennCare Building, 310 Great Circle Road in Nashville. The second public hearing took place on February 28, 2020, at 2:00 p.m. Central Time at the Bellevue branch of the Nashville Public Library, 720 Baugh Road in Nashville. Telephonic access to the February 26 hearing (in the TennCare Building) was offered to individuals who were unable to attend in person and who notified the state of their desire to participate by telephone. Members of the public also had the option to submit comments throughout the notice period by mail and/or email. Documentation of the state's public notice process is included as Appendix A.

Public Comments

The state received no comments regarding Amendment 43 during the public notice and comment period. Tennessee has no federally recognized Indian tribes, Indian health programs, or urban Indian health organizations with which to consult or from which to seek advice.

Appendix A

Documentation of Public Notice Process

Notice of Change in TennCare II Demonstration: Amendment 43

Published February 13, 2020

The Commissioner of the Tennessee Department of Finance & Administration is providing official notification of intent to file an amendment to the TennCare II Demonstration. This amendment, which will be known as “Amendment 43,” will be filed with the Centers for Medicare & Medicaid Services (CMS).

Description of Amendment and Affected Populations

In Amendment 43, the state is proposing to extend its medication therapy management (MTM) benefit for an additional 12 months.

MTM is a clinical service provided by licensed pharmacists, the aim of which is to optimize drug therapy and improve therapeutic outcomes for patients. MTM services include medication therapy reviews, pharmacotherapy consults, monitoring efficacy and safety of medication therapy, and other clinical services.

TennCare’s MTM benefit was implemented in July 2018 for TennCare members affected by the state’s patient-centered medical home (PCMH) program and health home program (known as “Health Link”) who met specified clinical risk criteria. The state proposed to operate the MTM benefit on a two-year pilot basis in order to evaluate the impact of MTM services on health outcomes, as well as the cost and quality of care for affected members.

In Amendment 43, the state proposes to extend its MTM pilot program for an additional 12 months, through the end of June 2021. The purpose of this extension is to allow the state to gather additional data on the effectiveness of the MTM program. Based on program implementation to date, the state believes this additional time will help ensure the state has adequate data to assess the impact of the MTM initiative. At the end of this pilot period, the state will evaluate the effectiveness of the initiative to inform future decision-making about its continuation, discontinuation, and/or expansion to additional populations.



Expected Impact on Enrollment and Expenditures

Amendment 43 will not result in any increase or decrease in enrollment in the TennCare demonstration. TennCare eligibility, cost sharing, and service delivery systems are not affected by Amendment 43.

Implementation of Amendment 43 is expected to extend by one year TennCare's annual aggregate MTM expenditures of approximately \$5.1 million. This amount will not materially alter the State's budget neutrality demonstration.

Hypothesis and Evaluation Parameters

The state is not proposing to modify its evaluation design as part of this amendment.

Waiver and Expenditure Authorities Requested

All waiver and expenditure authorities currently approved for the TennCare demonstration will continue to be in effect. The state is not requesting any new waiver or expenditure authorities to effectuate these changes.

To effectuate this change, the state requests the following amendment to STC 29.g of the TennCare demonstration.

Individuals enrolled in the state's patient-centered medical home (PCMH) and health home programs are eligible to receive MTM, regardless of which eligibility group the individual qualifies under. This benefit will expire ~~two~~ three years after the implementation date of the state's MTM pilot program, not to exceed June 30, 2021, unless amended in accordance with the requirements of STC 7.

Public Notice Process

TennCare has taken a variety of steps to ensure that members of the public are notified of Amendment 43. These measures include the development and maintenance of this webpage, as well as notices published in the newspapers of widest circulation in Tennessee cities with 50,000 or more residents. TennCare has disseminated information about the proposed amendment via its social media accounts (e.g., Facebook, Twitter). TennCare has also notified members of the Tennessee General Assembly of its intent to submit Amendment 43.



Public Input Process

TennCare is seeking feedback on Amendment 43 prior to its submission to CMS. Members of the public are invited to offer comments regarding Amendment 43 from February 13, 2020, through March 14, 2020.

Members of the public who wish to comment on the proposed amendment may do so through either of the following options:

- Comments may be sent by email to public.notice.tennCare@tn.gov.
- Comments may be mailed to

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

Individuals who prefer to make their comments in person may attend one of the following public hearings to comment on Amendment 43:

- A public hearing on February 26, 2020, at 12:00 p.m. CT in Conference Room 1 East A of the TennCare Building, 310 Great Circle Road in Nashville.
- A public hearing on February 28, 2020, at 2:00 p.m. CT in the Large Meeting Room of the Bellevue branch of the Nashville Public Library, 720 Baugh Road in Nashville.

Telephonic access to the February 26 hearing (in the TennCare Building) is available for individuals unable to attend in person. To register to participate in this hearing by telephone, please contact Jonathan Reeve by phone at (615) 507-6449 or by email at Jonathan.Reeve@tn.gov prior to the date of the hearing.

Individuals with disabilities or individuals with limited English proficiency who wish to participate in one of the hearings and who may require language or communication assistance to do so should contact Talley Olson of TennCare's Office of Civil Rights Compliance by phone at (855) 857-1673 or by email at HCFA.fairtreatment@tn.gov prior to the date of the hearing.

TennCare always appreciates input. In order to be considered for the final draft of Amendment 43, comments must be received no later than March 14, 2020. Individuals



wishing to view comments submitted by members of the public may submit their requests to the same physical address and/or email address at which comments are being accepted.

Draft of Amendment 43

A draft of TennCare's proposed demonstration amendment is located at <https://www.tn.gov/content/dam/tn/tenncare/documents2/Amendment43.pdf>. Copies of the draft amendment are also available in each county office of the Tennessee Department of Health. Once comments received during the public input period have been reviewed and considered, a final draft of the amendment will be prepared. The final draft will be submitted to CMS and will then be made available at <https://www.tn.gov/tenncare/policy-guidelines/waiver-and-state-plan-public-notices.html>.

TennCare Page on CMS Web Site

As the federal agency with oversight authority over all Medicaid programs, CMS offers its own online resources regarding the TennCare demonstration. Interested parties may view these materials at

https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/waivers_faceted.html.

