



July 7, 2025

Kamia Rathore
State Demonstrations Group
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-25-26
7500 Security Boulevard
Baltimore, Maryland 21244

RE: TennCare III Demonstration (No. 11-W-00369/4 and 21-W-00075/9)

Dear Ms. Rathore,

This letter is to acknowledge the action taken by CMS on Amendment 7 to the TennCare Demonstration on June 30, 2025. Under this action, Tennessee will be required to report certain state directed payment (SDP) expenditures to CMS. This reporting will support a hospital access and quality improvement program intended to ensure access to hospital services and improved health outcomes for individuals enrolled in TennCare.

We have reviewed the materials that accompanied this action, and we accept the amended Special Terms and Conditions, Waivers, and Expenditure Authorities.

We look forward to continuing to work with CMS to provide high-quality healthcare to Tennesseans enrolled in TennCare.

Sincerely,

Stephen Smith
Director, Division of TennCare

cc: Tandra Hodges, Medicaid and CHIP Operations Group
April Wiley, State Demonstrations Group