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State/Territory Name: Tennessee

State Plan Amendment (SPA)#: 25-0004

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Form CMS-179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

June 25, 2025

Stephen Smith
Director
Division of TennCare
301 Great Circle Road
Nashville, TN 37243

Re: Tennessee State Plan Amendment (SPA) 25-0004

Dear Director Smith:

We reviewed your proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0004. This amendment updates Attachments 3.1-A, 3.1-B, and 4.19-B pages of the Medicaid State Plan to comply with federal regulation 42 CFR 440.169 and establishes a new target case management benefit for children in Tennessee who are receiving early intervention services.

We conducted our review of your submittal according to statutory requirements in 42 CFR 440.169. This letter is to inform you that Tennessee's Medicaid SPA TN 25-0004 was approved on June 25, 2025, effective April 1, 2025.

Enclosed are copies of Form CMS-179 and the approved SPA pages to be incorporated into the Tennessee State Plan

If you have any questions, please contact Tandra Hodges (404) 565-7409 or via email at tandra.hodges@cms.hhs.gov.

Sincerely,



Shantrina Roberts, Acting Director
Division of Program Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 4

2. STATE

TN3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

April 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 440.169

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 9,402,635b. FFY 2026 \$ 18,616,666

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 1 to Attachment 3.1-A, Pages 1-5 (Program F);
Attachment 3.1.A.1, Item 19 (Program F);
Attachment 3.1.B.1, Item 19 (Program F);
Attachment 4.19B, Item 19 (Program F)8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

N/A. New pages.

9. SUBJECT OF AMENDMENT

Targeted case management for children receiving early intervention services.

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

15. RETURN TO

Tennessee Department of Finance & Administration
Division of TennCare
310 Great Circle Road
Nashville, Tennessee 37243

12. TYPED NAME

Stephen Smith

13. TITLE

Director, Division of TennCare

14. DATE SUBMITTED

March 31, 2025

Attention: Aaron Butler

FOR CMS USE ONLY

16. DATE RECEIVED

March 31, 2025

17. DATE APPROVED

June 25, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

April 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Shantrina Roberts

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

TARGETED CASE MANAGEMENT SERVICES

PROGRAM (F) – EARLY INTERVENTION

- A. Target Group (42 Code of Federal Regulations 441.18(a)(8)(i) and 441.18(a)(9)):

The Target Group consists of Medicaid-eligible children ages birth through five years old with a demonstrated developmental delay who are enrolled in the Tennessee Early Intervention System (TEIS), Tennessee's IDEA Part C program, who are receiving early intervention services through an active Individualized Family Service Plan (IFSP).

- B. Areas of State in Which Services Will be Provided (§1915(g)(1) of the Act):

X Entire State

___ Only in the following geographic areas:

- C. Comparability of Services (§§1902(a)(10)(B) and 1915(g)(1)):

___ Services are provided in accordance with §1902(a)(10)(B) of the Act.

X Services are not comparable in amount, duration, and scope (§1915(g)(1)).

- D. Definition of Services (42 CFR 440.169):

Targeted case management services are defined as services furnished to assist individuals, eligible under the State Plan, in gaining access to needed medical, social, educational and other services. Targeted Case Management includes the following assistance:

Comprehensive assessment and periodic reassessment of individual needs, to determine the need for any medical, educational, social, or other services. These assessment activities include:

- taking client history;
- identifying the individual's needs and completing related documentation; and
- gathering information from other sources such as family members, medical providers, social workers, and educators (if necessary), to form a complete assessment of the eligible individual;

Comprehensive assessment shall be completed at the time of enrollment in TEIS. Assessment information shall be reviewed at least annually or more frequently when the client experiences a significant change in need or level of support.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

TARGETED CASE MANAGEMENT SERVICES

PROGRAM (F) – EARLY INTERVENTION

Development (and periodic revision) of a specific care plan that is based on the information collected through the assessment that:

- specifies the goals and actions to address the medical, social, educational, and other services needed by the individual;
- includes activities such as ensuring the active participation of the eligible individual, and working with the individual (or the individual's authorized health care decision maker) and others to develop those goals; and
- identifies a course of action to respond to the assessed needs of the eligible individual;

Referral and related activities (such as scheduling appointments for the individual) to help the eligible individual obtain needed services including:

- activities that help link the individual with medical, social, educational providers, or other programs and services that are capable of providing needed services to address identified needs and achieve goals specified in the care plan; and

Monitoring and follow-up activities:

- activities and contacts that are necessary to ensure the care plan is implemented and adequately addresses the eligible individual's needs, and which may be with the individual, family members, service providers, or other entities or individuals and conducted as frequently as necessary, and including at least one annual monitoring, to determine whether the following conditions are met:
 - services are being furnished in accordance with the individual's care plan;
 - services in the care plan are adequate; and
 - changes in the needs or status of the individual are reflected in the care plan. Monitoring and follow-up activities include making necessary adjustments in the care plan and service arrangements with providers.

Monitoring shall be completed as necessary to ensure implementation of the person-centered support plan and to evaluate health, safety, and welfare of the client. Follow up actions shall be performed at least every 6 months or when necessary to address health and safety concerns or services in the person-centered support plan. The Case Manager/Service Coordinator will conduct monitoring contacts at least quarterly with the family or an IFSP service provider.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

TARGETED CASE MANAGEMENT SERVICES

PROGRAM (F) – EARLY INTERVENTION

X Case management includes contacts with non-eligible individuals that are directly related to identifying the eligible individual's needs and care, for the purposes of helping the eligible individual access services; identifying needs and supports to assist the eligible individual in obtaining services; providing case managers with useful feedback, and alerting case managers to changes in the eligible individual's needs. (42 CFR 440.169(e))

E. Qualifications of Providers (42 CFR 441.18(a)(8)(v) and 42 CFR 441.18(b)):

Case managers must have an associate or bachelor's degree and one year of professional experience in one or a combination of the following: health care and/or education for children, adolescent, or geriatric populations; social work; or social or psychological counseling, including, but not limited to, mental health, correctional, or behavioral rehabilitation counseling; or one year of experience in early intervention and/or service coordination with individuals with disabilities in an educational, social services or medical setting; or one year of teaching early childhood education or assessing individuals with disabilities. Additional qualifying course work in a related field may be substituted for experience on a year-for-year basis.

F. Freedom of Choice (42 CFR 441.18(a)(1)):

The State assures that the provision of case management services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

1. Eligible individuals will have free choice of any qualified Medicaid provider within the specified geographic area identified in this plan.
2. Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

TARGETED CASE MANAGEMENT SERVICES

PROGRAM (F) – EARLY INTERVENTION

G. Freedom of Choice Exception (§1915(g)(1) and 42 CFR 441.18(b)):

X Target group consists of eligible individuals with developmental disabilities or with chronic mental illness. Providers are limited to qualified Medicaid providers of case management services capable of ensuring that individuals with developmental disabilities or with chronic mental illness receive needed services.

Consistent with 42 CFR 441.18(b), the providers of services under this authority are limited to designated state or contracted staff operating under the supervision of the Department of Disability and Aging (DDA). DDA is the state's developmental disabilities agency and has the necessary expertise to ensure that individuals with the necessary knowledge, skills, and abilities provide TCM to persons in the target group.

H. Access to Services (42 CFR 441.18(a)(2), 42 CFR 441.18(a)(3), 42 CFR 441.18(a)(6)):

The State assures the following:

- Case management (including targeted case management) services will not be used to restrict an individual's access to other services under the plan.
- Individuals will not be compelled to receive case management services, condition receipt of case management (or targeted case management) services on the receipt of other Medicaid services, or condition receipt of other Medicaid services on receipt of case management (or targeted case management) services; and
- Providers of case management services do not exercise the agency's authority to authorize or deny the provision of other services under the plan.

I. Payment (42 CFR 441.18(a)(4)):

Payment for case management or targeted case management services under the plan does not duplicate payments made to public agencies or private entities under other program authorities for this same purpose.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

TARGETED CASE MANAGEMENT SERVICES

PROGRAM (F) – EARLY INTERVENTION

J. Case Records (42 CFR 441.18(a)(7)):

Providers maintain case records that document for all individuals receiving case management as follows: (i) The name of the individual; (ii) The dates of the case management services; (iii) The name of the provider agency (if relevant) and the person providing the case management service; (iv) The nature, content, units of the case management services received and whether goals specified in the care plan have been achieved; (v) Whether the individual has declined services in the care plan; (vi) The need for, and occurrences of, coordination with other case managers; (vii) A timeline for obtaining needed services; (viii) A timeline for reevaluation of the plan.

K. Limitations

Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §440.169 when the case management activities are an integral and inseparable component of another covered Medicaid service (State Medicaid Manual (SMM) 4302.F).

Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §440.169 when the case management activities constitute the direct delivery of underlying medical, educational, social, or other services to which an eligible individual has been referred, including for foster care programs, services such as, but not limited to, the following: research gathering and completion of documentation required by the foster care program; assessing adoption placements; recruiting or interviewing potential foster care parents; serving legal papers; home investigations; providing transportation; administering foster care subsidies; making placement arrangements. (42 CFR 441.18(c))

FFP only is available for case management services or targeted case management services if there are no other third parties liable to pay for such services, including as reimbursement under a medical, social, educational, or other program except for case management that is included in an individualized education program or individualized family service plan consistent with §1903(c) of the Act. (§§1902(a)(25) and 1905(c))

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

LIMITATION ON AMOUNT, DURATION AND SCOPE OF MEDICAL
CARE AND SERVICES PROVIDED

19. Case management services as defined in, and to the group specified in, Supplement 1 to Attachment 3.1-A (in accordance with section 1905(a)(19) or section 1915(g) of the Act).

Program (F) – Early Intervention

Case management services are limited to children with a developmental delay who are enrolled in TEIS, Tennessee's IDEA Part C program, who are receiving early intervention services.

TN No.: 25-0004

Supersedes

TN No.: NEW

Approval Date: 6/25/2025

Effective Date: 4/1/2025

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

LIMITATION ON AMOUNT, DURATION AND SCOPE OF MEDICAL
CARE AND SERVICES PROVIDED

19. Case management services as defined in, and to the group specified in, Supplement 1 to Attachment 3.1-A (in accordance with section 1905(a)(19) or section 1915(g) of the Act).

Program (F) – Early Intervention

Case management services are limited to children with a developmental delay who are enrolled in TEIS, Tennessee's IDEA Part C program, who are receiving early intervention services. Services are provided in accordance with the limitations for this group described in Attachment 3.1-A.

TN No.: 25-0004

Supersedes

TN No.: NEW

Approval Date: 6/25/2025

Effective Date: 4/1/2025

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEEMETHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

-
19. Case management services as defined in, and to the group specified in, Supplement 1 to ATTACHMENT 3.1-A (in accordance with section 1905(a)(19) or section 1915(g) of the Act).

Program (F) – Early Intervention Targeted Case Management

Payment for targeted case management (TCM) services under the State Plan do not duplicate payments made to public agencies or private entities under other program authorities for this same purpose.

State payment for TCM Program (F) services are paid at this rate:

Service Description	Rate	Unit	Unit Limit
Targeted Case Management	\$62.00	1 hour	Maximum of 1 unit per week per child