

Table of Contents

State/Territory Name: TN

State Plan Amendment (SPA) #: 26-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60601



Financial Management Group

Mr. Stephen M. Smith
Director, Division of TennCare
310 Great Circle Road
Nashville, Tennessee 37243

June 4, 2026

RE: TN 26-0002

Dear Mr. Smith:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Tennessee State Plan Amendment (SPA) to Attachment 4.19B, TN 26-0002, which was submitted to CMS on March 13, 2026. This plan amendment is increasing payment rates for targeted case management.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 1, 2026. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Lindsay Michael at 410-786-7197 or lindsay.michael@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 2

2. STATE

TN

3. 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, 2026

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR Part 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 588,989
b. FFY 2027 \$ 1,162,922

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19B, Item 19 (Program F)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19B, Item 19 (Program F)

9. SUBJECT OF AMENDMENT

Methods and Standards for Establishing Payment Rates - Targeted Case Management

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

[Redacted Signature]

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 13, 2026

Attention: Aaron Butler

FOR CMS USE ONLY

16. DATE RECEIVED
3/13/26

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
4/1/26

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
DRR, Director

22. REMARKS

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	\$70.50	1 hour	Maximum of 1 unit per week per child

TN No. 26-0002

Supersedes

TN No. 25-0004Approval Date: June 4, 2026Effective Date: 4/1/2026