








## High-Quality, Cost-Effective

TennCare is Tennessee’s managed care Medicaid program which provides health insurance coverage to certain groups of low-income individuals such as pregnant women, children, parents or caretaker relatives of minor children, older adults, and adults with disabilities.

- Over **1.6 million** Tennesseans are enrolled.
- That’s more than **26%** of the state’s population.
- TennCare pays for **58% of births** in the state.

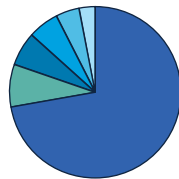
### Member Snapshot

-  **904,391** Tennessee Children
-  **291,467** Parents or caretaker relatives of minor children
-  **288,656** Individuals with disabilities
-  **82,336** Older adults
-  **50,245** Pregnant women

### TennCare FY24 Finances

#### TennCare Budget: \$15.4 Billion

- + Clinical Services 72.90%
- + Intellectual Disability Services (DIDD) 7.71%
- + Medicare Services 5.99%
- + TennCare Admin. 5.31%
- + Hosp. Supplemental Payments 4.78%
- + Children’s Services (DCS) 3.31%



#### Funding sources:

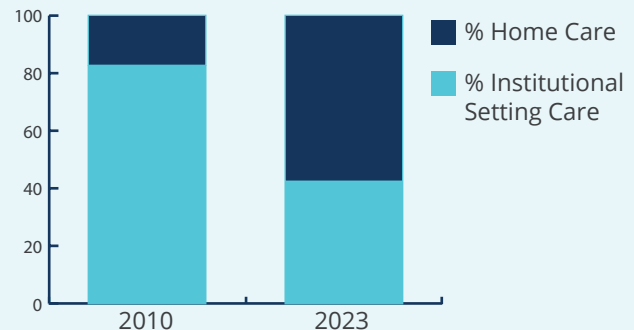


- ⊕ Through the TennCare III waiver, TennCare received over \$600 million in additional federal dollars, which have been reinvested back into the program.



### Quality Improvements

- ⊕ Prioritizing quality of care by coordinating healthcare services through innovative programs like:
  - 94,121 members in Health Link
  - 778,249 in Patient-Centered Medical Homes
  - Covering 48 episodes of care
- ⊕ Overall, the number of TennCare new, acute opioid users has declined by 54% since 2015.
- ⊕ Throughout 2023, 523 high-quality providers provided opioid use disorder treatment and recovery services to over 15,000 members through TennCare’s dedicated medication assistant treatment network.
- ⊕ TennCare’s Preferred Drug List compliance in 2022-23 is 94.69%.
- ⊕ From FY20 to FY22, the statewide EPSDT screening rates for TennCare infants improved from 93% to 100%.
- ⊕ More individuals needing long-term services and supports (LTSS) are choosing to be served at home and in the community rather than in an institutional setting.



### Member Satisfaction

**95% Satisfaction!** TennCare has scored 90% or better on the annual satisfaction survey conducted by the University of Tennessee since 2011.

# TennCare's Managed Care Model

TennCare's managed care model means TennCare and CoverKids contract with health insurance plans - also known as managed care organizations or MCOs. **A health plan coordinates care for TennCare members and maintains a network of providers like doctors, hospitals, specialists, pediatricians, and nursing homes.**

## About Managed Care Model

- ⊕ Tennessee is a leading managed care state.
- ⊕ Strategies include negotiated rates, network optimization, insurer care coordination, and prior authorization for certain medications and services.
- ⊕ Integrated care increases efficiencies, reduces cost shifting, and promotes more appropriate utilization of services.
- ⊕ TennCare pays the health plans a **Per Member Per Month (PMPM)** rate which is similar to a health insurance premium. The health plans pay the providers for services delivered to members.



## TennCare's Managed Care Organizations



### ⊕ Plans cover:



#### Medical

- Visits to a primary care physician
- Inpatient and outpatient surgeries
- Visits to the Emergency Room



#### Behavioral

- Mental & behavioral health services
- Visits to a psychiatrist
- Treatment for addictions



#### Long-Term Services & Supports

- Nursing facility care
- Home & community based services
- I/DD services like employment services

## Other TennCare Plans



#### Dental Plan

- Dental benefits are managed by DentaQuest
- Includes regular dental exams, x-rays, and other oral treatments



#### Pharmacy Plan

- Pharmacy benefits are managed by OptumRX



#### TennCareSelect

- A statewide health plan serving children in state custody and other vulnerable populations

## TennCare's Then and Now

### 1994:

- Rapidly escalating costs with little control
- Volatile, fragmented and numerous health plans
- Few quality measures
- Limited long-term care options
- Volume-based payments

### Now:

- Sustainable cost trends with effective utilization management
- Stable, experienced health plans with statewide operations
- Require NCQA accreditation, full set of HEDIS measures, and CAHPS for all health plans
- More home and community-based options for more people
- Delivery system transformation with focus on value