

Notice of Change to the TennCare III Program CHOICES At Risk Demonstration Group (Group 3)

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The Commissioner of the Tennessee Department of Finance & Administration is providing official notification of planned changes to the TennCare program. These changes entail opening enrollment in a demonstration population known as the CHOICES At Risk Demonstration Group. TennCare is publishing this notice pursuant to 42 CFR § 431.408 and the terms and conditions of the TennCare Demonstration in order to solicit public input on this planned change.

Description of Planned Program Changes

Within the TennCare Demonstration, the CHOICES program provides managed long-term services and supports (MLTSS) for persons who are elderly or who have physical disabilities. CHOICES consists of three benefit groups:

CHOICES Group 1 consists of individuals who meet TennCare's level of care criteria for nursing facility care and who are receiving LTSS in a nursing facility.

CHOICES Group 2 consists of adults who meet TennCare's level of care criteria for nursing facility care and who are receiving home- and community-based services (HCBS) in lieu of nursing facility care.

CHOICES Group 3 consists of adults who do not meet TennCare's level of care criteria for nursing facility care but who, absent additional supports, are considered at risk of needing institutional care. These individuals receive a targeted package of HCBS intended to prevent or delay the need for nursing facility care.

Under the terms of the TennCare Demonstration, CHOICES Group 3 is open to individuals who are eligible for Medicaid as SSI recipients and to non-Medicaid-eligible individuals who qualify in the CHOICES At Risk Demonstration Group. The purpose of the CHOICES At Risk Demonstration Group is to provide a pathway for individuals who are not otherwise eligible for Medicaid to be eligible for TennCare and to receive CHOICES Group 3 HCBS.¹

¹ The TennCare Demonstration refers to the benefits received by Medicaid-eligibles as "CHOICES 3" and the benefits received by Demonstration-eligibles as "Interim CHOICES 3." However, the benefits are the same in both cases. For simplicity, this notice uses the terms "CHOICES 3" and "Interim CHOICES 3" synonymously.

The CHOICES At Risk Demonstration Group has been closed to new enrollment since June 30, 2015.

In this notice, Tennessee is providing official notification that TennCare intends to re-open new enrollment in the CHOICES At Risk Demonstration Group, up to an enrollment target of 1,750 new enrollees. This change will become effective on October 1, 2022. Note that this enrollment target only applies to individuals eligible for TennCare in the CHOICES At Risk Demonstration Group; individuals eligible for Medicaid as SSI recipients who qualify for CHOICES Group 3 benefits will not count against this enrollment target.

To qualify for TennCare in the CHOICES At Risk Demonstration Group, individuals must meet the following criteria:

1. Be age 65 or older, or be age 21 and older with physical disabilities;
2. Meet TennCare's financial eligibility standards for individuals receiving institutional care (income no more than 300 percent of the SSI federal benefit rate, resources no more than \$2,000); and
3. Would, in the absence of CHOICES services and supports, be at risk of institutionalization consistent with the state's existing level of care criteria for CHOICES Group 3.

Individuals enrolled in the CHOICES At Risk Demonstration Group receive all covered TennCare benefits for adults. In addition, individuals enrolled in the CHOICES At Risk Demonstration Group receive CHOICES HCBS, not to exceed \$18,000 per calendar year, as follows:

- Short-term nursing facility services (up to 90 days per stay)
- Community-based residential alternative services (CBRAs)²
- Attendant care (up to 1,080 hours per calendar year); up to 1,400 hours per calendar year ONLY when homemaker services are needed in addition to hands-on care
- Home-delivered meals (up to 1 meal per day)
- Personal Emergency Response System
- Adult day care (up to 2,080 hours per calendar year)

² CBRAs available in CHOICES Group 3 include only Assisted Care Living Facility services and Community Living Supports (CLS) and Community Living Supports – Family Model (CLS-FM) that can be provided within the individual's \$18,000 expenditure cap, when the cost of such services will not exceed the cost of CHOICES HCBS that would otherwise be needed by the member to 1) safely transition from a nursing facility to the community; or 2) continue being safely served in the community and to delay or prevent nursing facility placement.



- In-home respite care (up to 216 hours per calendar year)
- Inpatient respite care (up to 9 days per calendar year)
- Assistive technology (up to \$900 per calendar year)
- Enabling technology (up to \$5,000 per calendar year)³
- Minor home modifications (up to \$6,000 per project; \$10,000 per calendar year; and \$20,000 per lifetime)⁴
- Pest control (up to 9 units per calendar year)

For more information about CHOICES benefits, see Table 2b, Attachment E, and Attachment S of the TennCare Demonstration.

Expected Impact on Enrollment and Expenditures

Re-opening the CHOICES At Risk Demonstration Group to new enrollment is expected to result in an increase in enrollment in the TennCare Demonstration of approximately 1,750 persons. This change is expected to result in an increase in annual aggregate expenditures under the TennCare program of approximately \$58.8 million.

Evaluation Impact

TennCare does not anticipate modifying its evaluation design based on these planned changes. These changes are expected to contribute to key goals of the TennCare Demonstration already reflected in the demonstration's evaluation design (currently under CMS review). These include enhancing coverage and benefits available under the TennCare Demonstration and supporting access to appropriate and cost-effective HCBS.

Waiver and Expenditure Authorities Requested

TennCare is not requesting any new waiver or expenditure authorities under Section 1115 of the Social Security Act to implement these changes. The CHOICES At Risk Demonstration Group is already an approved part of the TennCare Demonstration, which provides 1115(a)(2) expenditure authority to provide Medicaid benefits, including CHOICES Group 3 HCBS, to individuals enrolled in the CHOICES At Risk Demonstration Group. The CHOICES At

³ The CHOICES program's Enabling Technology benefit is funded in part with federal funds authorized under Section 9817 of the American Rescue Plan Act. Currently, states may spend these funds until March 31, 2025. Accordingly, Enabling Technology is currently a covered benefit under CHOICES until March 31, 2025.

⁴ The cost of minor home modifications is not counted against an individual's \$18,000 annual expenditure cap.

Risk Demonstration Group and CHOICES Group 3 will continue to operate in a manner consistent with the approved authorities in the TennCare Demonstration.

Public Notice Process

TennCare has taken a variety of steps to ensure that members of the public are notified of these planned changes to the TennCare program. These measures include the development and maintenance of this webpage, as well as notices published in newspapers of general circulation in Tennessee communities with 50,000 or more residents.

This planned change was presented by TennCare as a budget request during Tennessee's 2022 legislative session and was subsequently approved by the Tennessee General Assembly as part of the state budget through a public legislative process.

In addition, TennCare has disseminated information about these proposed changes via its social media accounts (e.g., Facebook, Twitter).

Public Input Process

TennCare is seeking feedback on these planned changes. Members of the public are invited to offer comments regarding these changes from June 8, 2022, through July 8, 2022.

Members of the public who wish to comment on these planned changes 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 these planned changes:



In-Person Hearing

Location: The PEARL Room on the ground floor of the Tennessee Department of Labor and Workforce Development, 220 French Landing Drive, Nashville, TN.

Date: June 22, 2022

Time: 2:00 p.m. CT

Virtual Hearing

Location:

<https://tngov.webex.com/meet/JReeve>

Date: June 23, 2022

Time: 10:00 a.m. CT

TennCare always appreciates input. In order to be considered prior to implementation of these changes, feedback must be received no later than July 8, 2022. 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.

TennCare Demonstration

A copy of the TennCare Demonstration is available at

<https://www.tn.gov/content/dam/tn/tenncare/documents/tenncarewaiver.pdf>.

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.

