



July 25, 2008

Darin J. Gordon
Deputy Commissioner
Bureau of TennCare
310 Great Circle Road
Nashville, Tennessee 37243

Received
AUG 04 2008
Bureau of TennCare



Dear Mr. Gordon:

I am pleased to inform you that your request to renew Tennessee's Self Determination Home and Community-Based Waiver for the Mentally Retarded/Developmentally Disabled, as authorized under provisions of section 1915(c) of the Social Security Act, has been approved. This waiver renewal has been assigned control number 0427.R01, which should be used in future correspondence. The waiver renewal request is effective January 1, 2008 through December 31, 2012.

Specifically, you submitted a renewal request on September 28, 2007 to continue to provide the following waiver services: Environmental Accessibility Modifications, Emergency Assistance, Respite, Vehicle Accessibility Modifications, Adult Dental Services, Day Services, Nursing Services, Behavioral Respite Services, Occupational Therapy, Speech, Language, and Hearing Services, Orientation and Mobility Training, Behavior Services, Nutrition Services, Physical Therapy, Individual Transportation Services, Personal Assistance, Personal Emergency Response Systems, Specialized Medical Equipment and Supplies and Assistive Technology.

The following estimates of utilization and cost of waiver services have been approved:

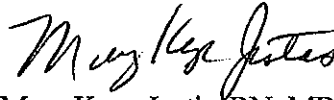
	Unduplicated Recipients	Community Costs	Institutional Costs	Total Waiver Costs
Year 1 (01/01/08 – 12/31/08)	1550	\$19,709	\$205,027	\$26,267,850
Year 2 (01/01/09 – 12/31/09)	1900	\$20,772	\$211,178	\$34,063,200
Year 3 (01/01/10 – 12/31/10)	2250	\$22,453	\$217,513	\$43,929,000
Year 4 (01/01/11 – 12/31/11)	2600	\$24,145	\$224,039	\$54,927,600
Year 5 (01/01/12 – 12/31/12)	2950	\$25,606	\$230,760	\$66,369,100

Several issues were identified with this waiver renewal application. The RO and CO staff, as well as the National Quality Contractor (Thomson Reuters) have worked with the State to clarify the following quality-related issues: the authority of the Single State Agency; enrollment of qualified providers; freedom of choice; financial accountability; and health and welfare. The State submitted a work plan which has been accepted and will be carefully monitored by CMS staff to ensure the conditions of this waiver renewal are met. This monitoring will occur through written progress reports from the State and regularly scheduled, frequent meetings between the State and CMS Central and Regional Office staff. The CMS staff will also monitor monthly meetings between the Medicaid Agency and the Operating Agency (Department of Mental Retardation Services). The National Quality Contractor will continue work with the State to implement an acceptable Quality Improvement Strategy, that covers all the State's waiver programs.

Under separate cover, we are sending the State correspondence related to rate reductions and changes to the protocols used for determining service availability in Tennessee's other two waivers serving individuals with developmental disabilities. It is our understanding, as learned from Tennessee staff during calls regarding the renewal process for TN 0427, that these changes will not impact this waiver. Please be reminded that any changes that could potentially result in a reduction of the number of persons served, services provided or providers must be submitted to CMS in an amendment. In this case, CMS must approve the amendment in advance of the implementation of such changes (see pages 30-31 of the Instructions, Technical Guide and Review Criteria for 1915(c) Home and Community Based Services).

We appreciate the effort and cooperation provided by your staff during our review of this renewal request. If you have any questions, please contact Kimberly Adkins-McCoy at (404) 562-7159.

Sincerely,



Mary Kaye Justis, RN, MBA
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: David Reed, CO
Patti Killingsworth, TennCare
Karen Carothers, TennCare
Joanna Damons, DMRS