DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850

Children and Adults Health Programs Group

OCT 21 2015

Mr. Darin J. Gordon
Deputy Commissioner
Tennessee Department of Finance and Administration
Bureau of TennCare
301 Great Circle Road
Nashville, TN 37243

Dear Mr. Gordon:

This letter is in response to Tennessee's request for a waiver under section 1902(e)(14)(A) of the Social Security Act (the Act) that will assist the state as it implements the provisions of the Affordable Care Act. The state's waiver request was further clarified through teleconferences and meetings with the Centers for Medicare & Medicaid Services (CMS). The following requests are approved:

1. To delay eligibility renewals for beneficiaries who have not had a MAGI-based eligibility determination and those who are eligible on a basis other than MAGI, for the period from January 1, 2015 to May 31, 2015. The approvals contained in this letter build upon the authorities CMS previously provided to Tennessee under section 1902(e)(14)(A) of the Act. Previously, CMS provided Tennessee with authority to delay eligibility renewals scheduled for January 1, 2014 through December 31, 2014 for 12 months, until January 1, 2015 through December 31, 2015. These renewals began in May 2015 and will be conducted in accordance with the additional authorities granted in this approval.

2. To delay eligibility renewals scheduled for January 1, 2015 through December 31, 2015 for individuals who received a MAGI determination or were determined eligible for Medicaid on a basis other than MAGI in 2014, for up to 12 months. These renewals should be completed as soon as practicable but no later than December 31, 2016, in accordance with a schedule to be provided by the state.

3. Effective May 1, 2015, we are approving a waiver of required renewal procedures to allow the state to implement a streamlined approach for processing eligibility renewals in 2015 in accordance with the processes described for Phase 1 and Phase 2, below.

CMS has determined that the authorities granted in this letter are necessary to protect beneficiaries as the state develops and deploys a fully-functioning eligibility and enrollment system.

Tennessee has not completed procurement of new systems or functionality necessary to accomplish the redetermination and renewal of Medicaid and CHIP eligibility in accordance with Medicaid and CHIP regulations at 42 CFR 435.916 and 457.343. Accordingly, these authorities are granted only to the extent to which Tennessee requires additional time to build and test critical MAGI functionality in the Tennessee Eligibility Determination System (TEDS), and are contingent upon regular updates from the state on the status of its systems development and capacity. The CMS systems analyst for Tennessee will be monitoring the state's progress towards deployment of critical renewal functionalities as part of the Systems Development Life Cycle process.

Renewal Process for Beneficiaries Without a MAGI Determination and those Eligible on a Basis Other than MAGI:

Tennessee has agreed to implement the following combination of streamlined enrollment options and strategies to complete renewals for individuals who have not yet completed a MAGI determination or who are eligible on a basis other than MAGI:

Phase 1: Administrative Renewal for Individuals Enrolled in SNAP

CMS is approving Tennessee's request for a waiver, under section 1902(e)(14)(A) of the Act, to renew Medicaid coverage for selected beneficiaries who are concurrently enrolled in the Supplemental Nutrition Assistance Program (SNAP). As of May 1, 2015, the state may renew Medicaid coverage for beneficiaries who were eligible for Medicaid as of December 31, 2013 under the state plan, are receiving benefits under SNAP, and whom the state has determined are highly likely to be income-eligible for Medicaid based on their gross income as determined by SNAP. These beneficiaries will have their eligibility renewed for a minimum of 12 months and will receive their next redetermination between May and December 2016.

Phase 2: Expedited Renewal for Beneficiaries Attesting to No Changes in Circumstances

Beginning October 1, 2015, Tennessee will mail an expedited renewal form to beneficiaries whose eligibility is not renewed under the Phase 1 strategy, asking them to attest that no change has occurred in their household composition since their last renewal and that their household income remains below the applicable eligibility standard. Beneficiaries who return the form and attest to no change will have their Medicaid/CHIP coverage renewed for a new 12-month renewal period. Eligibility will not be terminated based on no response to the form or a response that a change has occurred.

Phase 3: Reapplication for Beneficiaries Who Cannot be Renewed through Phase 1 or 2

Tennessee will send a paper renewal re-application form to beneficiaries whose eligibility cannot be renewed using the SNAP or expedited renewal strategies. This includes beneficiaries whose eligibility group is subject to change, such as pregnant women and children reaching a specific age threshold for their eligibility group. Beneficiaries will be given at least 30 days to complete and return the form, which the Tennessee Medicaid agency will process. Beneficiaries who are determined eligible will be renewed for a new 12 month period. Those who do not return the application within the specified time period will have their coverage terminated for failure to

provide information needed to renew coverage, in accordance with federal regulations. Individuals determined no longer eligible for Medicaid or CHIP will be referred to the Federally-facilitated Marketplace (FFM). The reapplication process is a mitigation that will begin on December 1, 2015 and will run concurrently with Phase 2.

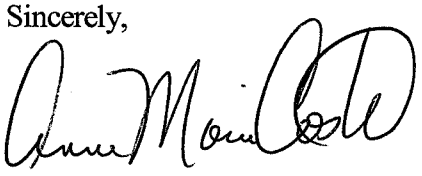
Contingency Plan for Beneficiaries Who Received a MAGI Determination in 2014:

As noted above, CMS is also approving Tennessee's request for a waiver to delay 2015 renewals for 12 months for beneficiaries who received a MAGI determination or a determination of eligibility on a basis other than MAGI in 2014. These renewals should be completed as soon as practicable but no later than December 31, 2016, in accordance with a schedule to be provided by the state. If unable to begin renewals for these beneficiaries in January 2016, the state must notify CMS as soon as possible, and no later than November 21, 2015, of an updated contingency plan for conducting these renewals.

The authority provided in this letter is subject to the conditions described above as well as CMS receiving your written acknowledgement of this approval and acceptance of these new authorities within 30 days of the date of this letter.

We look forward to our continuing work together to achieve successful implementation of the Affordable Care Act. If you have questions regarding this waiver, please contact me at (410) 786-5647 or annemarie.costello@cms.hhs.gov.

Sincerely,



Anne Marie Costello
Acting Director

cc: Jackie Glaze, Associate Regional Administrator, Region IV