The Concept Paper for Renewal and Redesign of Tennessee’s Long-Term Services and Supports Delivery System for Individuals with Intellectual and Developmental Disabilities:

What it means for people currently enrolled in a Medicaid Home and Community Based Services (HCBS) waiver

How the current waiver programs will change

During this year Tennessee will be renewing the Arlington and Statewide Medicaid waivers. The most important thing for you to know is that people already enrolled in these waivers will keep getting the services they need. We will make only essential changes in these waivers. Those changes are described below.

1. **The Arlington waiver will have a new name.**

The name of the Arlington waiver will be changed to the Comprehensive Aggregate Cap or CAC waiver. This name reflects how the State shows the federal government that services provided in the waiver are ‘cost-neutral.’ This means that the total cost of services provided to all of the people in the CAC waiver can’t be more than it would cost to provide their services in an institution, such as Clover Bottom and Greene Valley Developmental Centers. So, the total cost of all the services provided to everyone in the CAC waiver are ‘capped’ (or limited) based on the cost of providing services to everyone in a Developmental Center. This is how the Arlington waiver works today.

2. **The Statewide waiver will have an ‘individual cost cap.’**

When the Statewide waiver is renewed, the State will use a different way to show the federal government that services provided in that waiver are ‘cost-neutral.’ The State will use an ‘individual cost cap.’ This means that the cost of each person’s services in the waiver cannot be more than it would cost to provide their services in a community Intermediate Care Facility for Individuals with Intellectual and Developmental Disabilities (ICF/IID). The current average cost of services for a person served in a community ICF/IID is $153,400. So, each person’s services in the Statewide waiver will be ‘capped’ (or limited) to that amount. The amount will change as the cost of providing ICF/IID services changes.

3. **Some people in the Statewide waiver will move to the new CAC waiver.**

When the waivers are renewed, if someone currently in the Statewide waiver receives services that cost more than the new cap, they will be moved to the new CAC (formerly Arlington) waiver. They will continue receiving the same services that they received in the Statewide waiver. Their services will not be reduced. In addition, all former Arlington and current Clover Bottom Class Members will be included in the new CAC (formerly Arlington) waiver. Those people in the Statewide waiver who are not Arlington or Clover Bottom class members and who receive services that do not go over the new cap will stay in the Statewide waiver. They will receive the same services when the waiver is renewed, but their services will always be limited to the new individual cap.
4. **Changes in federal rule**

There will be some changes in all 3 current waivers (Arlington, Statewide and Self-Determination).

First, the State must make some changes to the waivers to comply with new federal rules.

- Some of these rules define what a “home and community based” setting looks like. States and waiver providers must comply with these rules in order to continue receiving federal Medicaid funds. (To read more about these rules, go to http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Home-and-Community-Based-Services/Home-and-Community-Based-Services.html.)

- Some of these rules affect wage and overtime pay for direct support staff. Direct support staff must be paid at least minimum wage. Most of the people who work more than 40 hours per week will have to be paid overtime pay. Because Medicaid can’t pay overtime for the services they cover, providers will have to make sure that staff don’t work more than 40 hours per week, if possible. (To read more about these rules, go to http://www.dol.gov/whd/regs/compliance/whdfsFinalRule.htm.)

5. **New Flexibility**

Several waiver service definitions will become more flexible based on input that TennCare and the Department of Intellectual & Developmental Disabilities received from stakeholders.

- Residential service definitions will change to give people more choices about shared living arrangements. People who need different kinds of residential services or different amounts of support will be able to choose to live together. People whose services are funded through different HCBS programs will be able to choose to live together.

- People who live together and receive Personal Assistance or Nursing services will be able to share these services by receiving the services from the same person as long as their needs can be safely met.

- People who receive skilled nursing services will be able to have their nurse help them with non-nursing needs such as eating, toileting, grooming and other activities of daily living.

6. **A new way to set provider rates**

An objective assessment tool will be used to help decide the rate to pay for residential and day services that people receive in the existing waivers. The tool is the Supports Intensity Scale. This tool was developed specifically for people with intellectual and developmental disabilities. It is already being used as a planning tool in these waivers today. In the future, we will use the tool to help us decide the amount to pay these providers. The rate approved for services will be based on the individual needs of the person receiving support. We will not require a certain number of staff based on a person’s score or the rate paid to the provider. Providers must ensure that each person has the right amount of staff to meet their needs.
7. **Services in the CAC waiver will change to match the Statewide waiver.**

Services and benefits in the Statewide and CAC waivers will be the same when the waivers are renewed. This will result in some changes to the benefits previously available in the Arlington waiver.

- Vision services will not be covered for people in the Statewide and CAC (formerly Arlington) waivers. This will be a change for people served in the Arlington waiver.

- One specific dental service will be no longer be covered for people in the CAC (formerly Arlington) waiver. This service is “the removal of plaque and stains.” All other dental services currently covered in the Arlington, Statewide and Self-Determination waivers will continue to be covered.

NOTE: Very few people have been using these dental and vision services.

Except for these services, everyone currently served in either the Arlington or Statewide waiver should keep their services when the waivers are renewed, unless their needs change.

8. **Waiver Enrollment**

Once the current waivers are renewed, the CAC (formerly Arlington) waiver will be closed to any new enrollment. All new people with intellectual disabilities coming into services will be enrolled in the existing Statewide and Self-Determination waivers while a new HCBS program is being developed.

**A New Program for People with Intellectual and Developmental Disabilities**

The new program will be for people with intellectual disabilities and also for people who have other kinds of developmental disabilities. It will be called **Employment and Community First CHOICES.**

**Employment and Community First CHOICES** will focus on helping people achieve individual employment and independent living goals. For people who are not currently pursuing employment and may need more support to live in the community, other services will be available.

**Employment and Community First CHOICES** will serve new people coming into services.

Once the new **Employment and Community First CHOICES** program is up and running, people in the CAC, Statewide and Self-Determination waivers can choose to move into the new program. If they don’t want to move, they may stay where they are and continue to receive services in the CAC, Statewide or Self-Determination waiver. All new people with intellectual and developmental disabilities coming into services will be enrolled into the **Employment and Community First CHOICES** program.

NOTE: More information about the new **Employment and Community First CHOICES** program can be found on the TennCare and DIDD websites:

- [http://tn.gov/tenncare/](http://tn.gov/tenncare/)