

**TENNESSEE TITLE XXI STATE PLAN
FACT SHEET**

Name of Plan: Phase I: October 1997—September 2002
CoverKids—June 2006

Date Plan Submitted: January 2, 1998
Date Plan Approved: Withdrawn March 16, 2007

Date Amendment #1 Submitted: July 7, 1999
Date Amendment #1 Approved: September 3, 1999
Date Amendment #1 Effective: October 1, 1997

Date Amendment #2 Submitted: September 6, 2006
Date Amendment #2 Approved: January 18, 2007
Date Amendment #2 Effective: June 9, 2006

Date Amendment #3 Submitted: July 17, 2007
Date Amendment #3 Approved: October 3, 2007
Date Amendment #3 Effective: October 1, 2007

Background:

- **Phase I:** On July 7, 1999, Tennessee submitted a Title XXI plan to provide expanded Medicaid eligibility to children born before October 1, 1983, who are under age 19 with family income at or below 100 percent of the Federal Poverty Level (FPL) and who could not have enrolled in TennCare, the State's Section 1115 demonstration, prior to April 1, 1997.
 - A technical amendment to the Title XXI statute (at Section 2110(b)(1)(B)(iii)) permitted eligibility for children in Tennessee by expanding the definition of a targeted low-income child to include one "who resides in a State that does not have a Medicaid applicable income level" and as of March 31, 1997, was not eligible for Medicaid. Prior to April 1, 1997, these children were not in TennCare because enrollment was closed to them. Thus, they meet the expanded definition of a targeted low-income child, and may be covered under CHIP.
 - Eligible children received the full Medicaid benefit package. All Medicaid program policies applied. The last eligible child aged-out of this expansion effective September 30, 2002.
- **CoverKids:** On September 6, 2006, the State submitted a Title XXI amendment to expand coverage through a separate child health program, called CoverKids, for children who are

under age 19, including unborn children, with family income at or below 250 percent of the FPL, and who are not eligible for Medicaid or TennCare Standard.

- On July 17, 2007, the State submitted its third State plan amendment, to add dental and vision services to the benefit package for children from 0 up to 19 years of age. Dental benefits only were added to the prenatal services available in the benefit package for unborn children.

Administration:

- **Phase I:** The Bureau of TennCare administered this program as a Medicaid expansion.
- **CoverKids:** The Division of Insurance Administration, Tennessee Department of Finance and Administration, will administer this program as a separate child health program.

Children Covered Under Program:

- **Phase I:** Tennessee estimated 9,732 children would be covered.
- **CoverKids:** Tennessee estimates the target population for CoverKids is 75,000 children whose family income is too high to qualify for TennCare. Enrollment began in the third quarter of FFY 2007, with 1,727 children ever enrolled in the quarter.

Health Care Delivery System:

- **Phase I:** Services were provided through the current mandatory managed care delivery system for the Title XIX program, which operates as a Section 1115 demonstration known as TennCare.
- **CoverKids:** Services will be provided through a health plan managed by the Division of Insurance Administration. The Division will contract with a commercially licensed insurance plan to provide coverage statewide.

Benefit Package:

- **Phase I:** The benefit package under the TennCare Section 1115 demonstration was provided. It was more generous than the usual Medicaid package in that most service limits were removed.
- **CoverKids:** The benefit package will be Secretary-approved coverage that includes benchmark coverage plus additional coverage. The benchmark plan is the HMO option of the State Employee Health Plan; additional coverage will be an increased number of visits for outpatient mental health/substance abuse and physical therapy/occupational therapy/speech services. Coverage of dental and vision services (dental only for unborn children) was added effective October 1, 2007.

Cost Sharing:

- **Phase I:** There was no cost sharing for the children in the State's Medicaid Expansion plan. This was consistent with TennCare policy, under which no cost sharing was imposed on children or adults with income at or below 100 percent of the FPL.
- **CoverKids:** American Indians/Alaska Natives: there are no cost-sharing requirements. All other children: there are no premiums or deductibles. Copayments will be charged for most services. For example, copayment for a physician office visit for a child whose family income is below 150 percent of the FPL will be \$5 for a primary care physician or specialist; copayment for a physician office visit for a child whose family income is above 150 percent of the FPL to 250 percent of the FPL will be \$15 for a primary care physician and \$20 for a specialist. Copayments for other services will vary.
- Copayments will not exceed a 5 percent annual cost-sharing maximum. The CoverKids eligibility and enrollment administrator will notify families and the health plan of the out-of-pocket limit based on 5 percent of annual income. The health plan will track money spent for copayments, notify the family when the limit is met, and annotate the child's file to notify providers that no further copayment is required.

State Outreach Activities:

- **Phase I:** Local health departments conducted outreach activities in their communities. They routinely participated in community health fairs and conducted presentations at a variety of community events to inform the public of the continued availability of TennCare coverage for uninsured children. These community events ranged from presentations provided at churches and neighborhood associations, to booths with information and applications for the TennCare program being set up at special events such as county fairs, street festivals, carnivals and school events/registrations.
- **CoverKids:** Outreach for CoverKids is composed of two components: (1) coordinated marketing outreach in conjunction with other Cover Tennessee initiatives, using demographically targeted media campaigns and existing information dissemination channels; and, (2) outreach through partner programs, agencies and organizations that have contact with families whose children are likely to qualify for CoverKids. The initial statewide media campaign will use television, radio, print, internet and outdoor advertising outlets. Brochures, posters, and application forms will be made available for widespread dissemination. The State will establish a toll-free inquiry telephone number and place information about CoverKids on the Division of Insurance Administration's website.

State Action to Avoid Crowd-Out:

- The CoverKids application form will request information regarding other insurance coverage for each child. A child who has creditable health coverage will not be enrolled in CoverKids. A child whose family has dropped coverage within 3 months prior to the month of application, except for involuntary loss of coverage due to layoff, business closing, or similar

circumstances, will not be enrolled in CoverKids until the 3-month period has elapsed. These limitations apply to children in families with income above 200 percent of the FPL but at or below 250 percent of the FPL.

Coordination between SCHIP and Medicaid:

- The State has enrollment screening processes that identify children whose applications indicate that they may be eligible for Medicaid and refer their applications to Medicaid for eligibility determination. The State's third party administrator's staff will query the Medicaid eligibility system to assure that applicants are not currently enrolled in Medicaid.

Financial Information:

Total Title XXI Allotment (FFY 2007) -- \$97,459,570
Enhanced Federal Matching Rate (FFY 2007) -- 74.56%

Last Updated: CMS, CMSO, FCHPG, DSCHI, October 10, 2007