Revision: HCFA-PM-85-3 (BERC)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: <u>TENNESSEE</u>

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

Methodology Used for Deduction of Incurred Expenses for Necessary Medical or Remedial Care for Institutionalized Persons in the Post-Eligibility Application of Income.

The following deductions will be made from the total income available for the cost of long-term nursing home care:

Payments for the following types of medical or remedial care recognized under state law, but not encompassed within the State's Medicaid Plan or the TennCare Demonstration, subject to the following criteria.

- 1. Eyeglasses and necessary related services not covered under the State plan or the TennCare demonstration. Deductions can only be made for the following services and must be the least of the provider's usual and customary charges, billed charges, or the Medicaid fee schedule.
 - (i) Examination and refraction
 - (ii) Frame
 - (iii) Lenses (bifocal)
 - (iv) Lenses (single)
- 2. Hearing aids and necessary related services. Deductions can only be made for the following services and must be the least of the provider's usual and customary charges, billed charges, or the Medicaid fee schedule.
 - (i) Audiogram
 - (ii) Ear mold
 - (iii) Hearing aid
 - (iv) Batteries
 - (v) Hearing aid orientation
- 3. Dental services. Deductions can be made for routine and emergency dental services and in accordance with the Bureau of TennCare's dental fee listing, whether such services are provided at a dental office, on-site at the long term care facility, or through a mobile dental services provider that contracts with the long-term care facility.

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4. Deductions for any other medical service recognized under State law but not covered by Medicaid will be made at the least of the provider's usual and customary charges, billed charges, or 80% of the Medicare fee schedule. Deductions will be allowed only for services that are determined by the state to be medically necessary for the particular individual on whose behalf the services are being requested.

Charges for nursing home days incurred as the result of bed-holds or therapeutic leave days that are in excess of the number of days covered under the Medicaid State Plan for the type of facility in question are not allowable deductions.

Medical expenses incurred more than three months prior to the month of application for Medicaid are disallowed as a deduction from patient liability. Allowable medical expenses incurred within three months prior to the month of application will be allowed as a deduction from patient liability. No deduction will be allowed for medical expenses that were incurred as the result of imposition of a transfer of assets penalty period.