

To: ECF CHOICES Providers of Specified HCBS  
From: Katie Moss, Deputy Chief of LTSS  
Date: June 14, 2022  
Subject: **Wage Increases for Frontline HCBS Workers in Employment and Community First CHOICES**

As you know, in November 2021, we began implementing targeted rate increases in certain CHOICES and ECF CHOICES HCBS that have a direct support component. For providers who complied with attestation process requirements, these increases were retroactively effective to July 1, 2021, and explicitly for purposes of increasing the wages of frontline HCBS workers delivering these services.

Initial funding for these increases was provided through Section 9817 of the American Rescue Plan Act of 2021 (ARP) (Pub. L. 117-2), which provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for HCBS incurred between April 1, 2021 and March 31, 2022. The enhanced funding must be spent by the State by March 31, 2025,<sup>1</sup> and must be spent *exclusively* on Medicaid HCBS.

In addition to the \$137.5 million of the ARP FMAP funding TennCare allocated for *targeted* rate increases in CHOICES and Employment and Community First CHOICES HCBS that have a direct care component, the Tennessee General Assembly passed the Governor's SFY 23 budget which included \$168.4 million to support wage increases for frontline direct support professionals (DSPs) working in TennCare's HCBS programs, including CHOICES, Employment and Community First CHOICES, and the 1915(c) waivers operated by DIDD. In addition to providing recurring funds for the rate increases already implemented in CHOICES and ECF CHOICES using ARP Enhanced HCBS FMAP funding pursuant to the State's Conditionally Approved Spending Plan, increased funding will provide for additional rate increases to account for a consistent wage of at least \$13.75 per hour for frontline DSPs across Medicaid HCBS populations and programs.

These funds will be used to continue to align and increase reimbursement for comparable services across Medicaid HCBS programs and population, in order to support equitable pay increases for the common workforce that serves them. ECF CHOICES services targeted for rate increases 1) have a direct care component; and 2) are currently reimbursed at a lesser rate than is effective as of July 1, 2022 for comparable services delivered through the Section 1915(c) waivers.<sup>2</sup>

**Based on legislative intent, the explicit purpose of these funds is to increase the wages of the frontline HCBS workforce.** This significant investment is specifically targeted to the frontline workforce and approved by the Tennessee General Assembly. Medicaid payment rates for comparable services in the 1915(c) waivers effective July 1, 2022 account for a DSP hourly wage of at least \$13.75/hour. Rates for employment services account for an even higher hourly wage of \$16.50, with additional value-based

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<sup>1</sup> CMS recently extended this deadline for States to expend the funds by March 2025. Note: this deadline applies to State expenditures and is not applicable to the provider's expenditure of funds, which must be passed through to the frontline work force as expeditiously as possible.

<sup>2</sup> If the ECF CHOICES rate for the comparable service is already reimbursed at a rate higher than in the 1915(c) waivers, the rate is not increased.

incentives that could be used to support even higher payments for successful outcomes. While TennCare does not prescribe hourly wages for frontline staff, by aligning rates of reimbursement in CHOICES and ECF CHOICES with rates for comparable services in the 1915(c) waivers, the expectation is that comparable hourly wages for frontline support staff are accounted for across Medicaid HCBS programs and populations. The belief is that by increasing the wages paid to these staff, providers will be better able to recruit and retain staff to provide these critically needed services, reducing overtime and costs associated with constant turnover. A wage factor is applied to account for provider related costs such as taxes.

**Targeted ECF CHOICES HCBS rate increases are as follows:**

Service	HCPCS	Current Rate	New Rate
Job Coach	See attached	\$6.03/qtr hour \$24.12/hour	\$6.55/qtr hour \$26.20/hour
		\$6.93/qtr hour \$27.72/hour	\$7.53/qtr hour \$30.12/hour
		\$7.75/qtr hour \$31/hour	\$8.50/qtr hour \$34/hour
Supported Employment – Small Group	T2019 U2 (Max 2 persons)	4.64/qtr hour \$18.56/hour	\$4.97/qtr hour \$19.88/hour
Supported Employment – Small Group	T2019 U3 (Max 3 persons)	3.10/qtr hour \$12.40/hour	\$3.32/qtr hour \$13.28/hour
Integrated Employment Path Services (Time-Limited Prevocational Training)	T2015 U1 (1:1 ratio)	\$24.12/hour	\$26.20/hour
	T2015 U2 (1:2 ratio)	\$15.52/hour	\$16.76/hour
	T2015 U4 (1:4 ratio)	\$8.24/hour	\$8.96/hour
Community Integration Support Services	T2021 (1:1 ratio)	\$6.74/qtr hour	\$7.39/qtr hour
	T2021 U1 (1:2 ratio)	\$4.93/qtr hour	\$5.40/qtr hour
	T2021 U1 UA (1:3 ratio)	\$3.51/qtr hour	\$3.83/qtr hour
Independent Living Skills Training	T2021 U2	\$6.74/qtr. hour	\$7.39/qtr hour
Personal Assistance	T1019 UA	\$5.33/qtr hour	\$5.86/qtr hour
Supportive Home Care	T1019 U2	\$21.32/hour	\$23.44/hour
Respite	S5150 UA	\$4.03/qtr hour	\$4.50/qtr hour
<b>Community Living Supports (CLS)</b>			
CLS 1a	T2033 U1 UA	\$42.89/day	\$46.91/day
	T2032 U1 UA	\$1,305/month	\$1,426.84/month
CLS 1b	T2033 U3 UA	\$85.77/day	\$93.83/day
	T2032 U3 UA	\$2,573.10/month	\$2,814.90/month
CLS 2	T2033 U4 UA	\$176.08/day	\$192.49/day
CLS 3	T2033 U5 UA	\$248.71/day	\$271.90/day
CLS 4 – Medical	T2033 U6 UA	\$326.41/day	\$377.38/day
CLS 4 – Behavioral	T2033 U7 UA		
CLS-FM 1a	T2016 U1 UA	\$45.93/day	\$46.83/day
	T2032 U1 UB	\$1,377.90/month	\$1,404.90/month
CLS-FM 4 – Medical	T2016 U5 UA	\$264.82	\$281.15/day

<b>CLS-FM 4 – Behavioral</b>	T2016 U6 UA		
<b>Transitional CLS (CLS-CST) (CLS-EPCST)</b>	T2016 U7 UA T2016 U7 UB	\$245	\$377.38/day
<b>Transitional CLS (CLS-BHCST)</b>	CLS-BHCST 1a=T2016 U8 UB CLS BHCS 2b=T2016 U9 UA	\$450 \$395	\$588.50/day \$494.59/day
<b>Intensive Behavioral Treatment Services</b>			
<b>Intensive Behavioral Family Centered treatment, Stabilization and Supports (ICFCTSS)</b>	See attached		See attached
<b>Intensive Behavioral Community Transition and Stabilization Services (IBCTSS)</b>	H0018 HI U1  H0018 HI U2  H0019 HI	Up to \$545/day  Up to \$470/day  Up to \$395/day	Up to \$682.41  Up to \$588.50  Up to \$494.59

### Effective Date and Conditions of Payment

Additional ECF CHOICES rate increases will be effective as of July 1, 2022. The continued expectation is that commensurate wage increases for the frontline HCBS workforce will be effective on that date, or beginning as soon as possible. Across all HCBS for which rates were increased, the provider must be able to document how the higher rates were used as intended—for purposes of increasing wages for frontline staff.

ECF CHOICES providers will be required to sign an attestation of compliance in order to qualify for the July 1, 2022 rate increases. The attestation must be fully completed and uploaded to PDMS prior to receiving increased rates. Specific instructions for this process can be found here: <https://www.tn.gov/tenncare/long-term-services-supports/enhanced-hcbs-fmap.html> under Provider Attestation Upload Guidance. The attestation form required is attached hereto and may also be found at the website above.

Providers submitting a completed form **by June 30, 2022 will be eligible for the new rates effective July 1, 2022**. Providers who submit the completed attestation form after June 30, 2022 will be eligible for the new rates prospectively only as of the date the attestation was correctly uploaded in PDMS. A provider that does not complete the attestation or comply with the conditions of payment is not eligible for the increased rates.

MCOs will make every effort to load and test the new rates as expeditiously as possible. For any claims processed before rate changes are complete, claims will be automatically adjusted once the new rates are fully implemented.

Payments are subject to audit and recoupment (and review for potential False Claims Act violations) if it is determined that conditions of payment were not met, i.e., that funding was not used for its intended purpose. Audit processes may include (but are not limited to) review of provider payroll records, claims, and other documents as determined by TennCare.

**Intensive Behavioral Family Centered Treatment, Stabilization and Supports (IBFCTSS) (Effective July 1, 2022)**

	<b>Days 1-90 Rate Per Diem</b>	<b>Days 91-180 Rate Per Diem</b>	<b>Days 181-270 Rate Per Diem</b>	<b>Days 271-360 (and beyond, as appropriate) Rate Per Diem</b>
	Twice weekly F2F individual and family treatment	Weekly F2F individual and family treatment	Bi-weekly F2F individual and family treatment	At least monthly F2F individual and family treatment
<b>Base Rate</b>	H2020 HI, HN, U1 \$66.67 (\$2,000)	H2020 HI, HN, U2 \$26.67 (\$800)	H2020 HI, HN, U3 \$13.33 (\$400)	H2020 HI, HN, U4 \$8.33 (\$250)
<b>Base Rate with Add On</b>				
Up to 4 hrs/day	H2020 HI, HN, UA, U1 \$185.39 (\$5,561.60)	H2020 HI, HN, UB, U1 \$145.39 (\$4,361.60)	H2020 HI, HN, UC, U1 \$132.05 (\$3,961.60)	H2020 HI, HN, UD, U1 \$127.05 (\$3,811.60)
>4 up to 8 hrs/day	H2020 HI, HN, UA, U2 \$304.11 (\$9,123.20)	H2020 HI, HN, UB, U2 \$264.11 (\$7,923.20)	H2020 HI, HN, UC, U2 \$250.77 (\$7,523.20)	H2020 HI, HN, UD, U2 \$245.77 (\$7,373.20)
>8 up to 12 hrs/day	H2020 HI, HN, UA, U3 \$422.83 (\$12,684.80)	H2020 HI, HN, UB, U3 \$382.83 (\$11,484.80)	H2020 HI, HN, UC, U3 \$369.49 (\$11,084.80)	H2020 HI, HN, UD, U3 \$364.49 (\$10,934.80)
>12 up to 16 hrs/day	H2020 HI, HN, UA, U4 \$541.55 (\$16,246.40)	H2020 HI, HN, UB, U4 \$501.55 (\$15,046.40)	H2020 HI, HN, UC, U4 \$488.21 (\$14,646.40)	H2020 HI, HN, UD, U4 \$483.21 (\$14,496.40)

**Job Coaching - Individual Wage Employment - 1/4 Hourly Rates (Effective July 1, 2022)**

Months on job	% of hours	ECF Tier A	Current quarter hour rates	New quarter hour rates	% of hours	Tier B	Current quarter hour rates	New quarter hour rates	% of hours	Tier C	Current quarter hour rates	New quarter hour rates
1 - 6 months		T2019 UA	\$7.75	<b>\$8.50</b>		T2019 UB	\$7.75	<b>\$8.50</b>		T2019 XU	\$7.75	<b>\$8.50</b>
7 - 12 months	90-100%	T2019 UA U1	\$6.03	<b>\$6.55</b>	80-100%	T2019 UB U1	\$6.03	<b>\$6.55</b>	60-100%	T2019 XU U1	\$6.03	<b>\$6.55</b>
	80-89%	T2019 UA U2	\$6.93	<b>\$7.53</b>	60-79%	T2019 UB U2	\$6.93	<b>\$7.53</b>	40-59%	T2019 XU U2	\$6.93	<b>\$7.53</b>
	< 80%	T2019 UA U3	\$7.75	<b>\$8.50</b>	< 60%	T2019 UB U3	\$7.75	<b>\$8.50</b>	< 40%	T2019 XU U3	\$7.75	<b>\$8.50</b>
13 - 24 months	75-100%	T2019 UA U4	\$6.03	<b>\$6.55</b>	60-100%	T2019 UB U4	\$6.03	<b>\$6.55</b>	50-100%	T2019 XU U4	\$6.03	<b>\$6.55</b>
	60-74%	T2019 UA U5	\$6.93	<b>\$7.53</b>	40-59%	T2019 UB U5	\$6.93	<b>\$7.53</b>	30-49%	T2019 XU U5	\$6.93	<b>\$7.53</b>
	< 60%	T2019 UA U6	\$7.75	<b>\$8.50</b>	< 40%	T2019 UB U6	\$7.75	<b>\$8.50</b>	< 30%	T2019 XU U6	\$7.75	<b>\$8.50</b>
25 + months	65-100%	T2019 UA U7	\$6.03	<b>\$6.55</b>	50-100%	T2019 UB U7	\$6.03	<b>\$6.55</b>	40-100%	T2019 XU U7	\$6.03	<b>\$6.55</b>
	40-64%	T2019 UA U8	\$6.93	<b>\$7.53</b>	30-49%	T2019 UB U8	\$6.93	<b>\$7.53</b>	20-39%	T2019 XU U8	\$6.93	<b>\$7.53</b>
	< 40%	T2019 UA U9	\$7.75	<b>\$8.50</b>	< 30%	T2019 UB U9	\$7.75	<b>\$8.50</b>	< 20%	T2019 XU U9	\$7.75	<b>\$8.50</b>

**Job Coaching - Self- Employment - 1/4 Hourly Rates (Effective July 1, 2022)**

Months on job	% of hours	ECF Tier A	Current quarter hour rates	New quarter hour rates	% of hours	Tier B	Current quarter hour rates	New quarter hour rates	% of hours	Tier C	Current quarter hour rates	New quarter hour rates
1 - 6 months		T2019 UA US	\$7.75	<b>\$8.50</b>		T2019 UB US	\$7.75	<b>\$8.50</b>		T2019 XU US	\$7.75	<b>\$8.50</b>
7 - 12 months	90-100%	T2019 UA US U1	\$6.03	<b>\$6.55</b>	80-100%	T2019 UB US U1	\$6.03	<b>\$6.55</b>	60-100%	T2019 XU US U1	\$6.03	<b>\$6.55</b>
	80-89%	T2019 UA US U2	\$6.93	<b>\$7.53</b>	60-79%	T2019 UB US U2	\$6.93	<b>\$7.53</b>	40-59%	T2019 XU US U2	\$6.93	<b>\$7.53</b>
	< 80%	T2019 UA US U3	\$7.75	<b>\$8.50</b>	< 60%	T2019 UB US U3	\$7.75	<b>\$8.50</b>	< 40%	T2019 XU US U3	\$7.75	<b>\$8.50</b>
13 - 24 months	75-100%	T2019 UA US U4	\$6.03	<b>\$6.55</b>	60-100%	T2019 UB US U4	\$6.03	<b>\$6.55</b>	50-100%	T2019 XU US U4	\$6.03	<b>\$6.55</b>
	60-74%	T2019 UA US U5	\$6.93	<b>\$7.53</b>	40-59%	T2019 UB US U5	\$6.93	<b>\$7.53</b>	30-49%	T2019 XU US U5	\$6.93	<b>\$7.53</b>
	< 60%	T2019 UA US U6	\$7.75	<b>\$8.50</b>	< 40%	T2019 UB US U6	\$7.75	<b>\$8.50</b>	< 30%	T2019 XU US U6	\$7.75	<b>\$8.50</b>
25+ months	65-100%	T2019 UA US U7	\$6.03	<b>\$6.55</b>	50-100%	T2019 UB US U7	\$6.03	<b>\$6.55</b>	40-100%	T2019 XU US U7	\$6.03	<b>\$6.55</b>
	40-64%	T2019 UA US U8	\$6.93	<b>\$7.53</b>	30-49%	T2019 UB US U8	\$6.93	<b>\$7.53</b>	20-39%	T2019 XU US U8	\$6.93	<b>\$7.53</b>
	< 40%	T2019 UA US U9	\$7.75	<b>\$8.50</b>	< 30%	T2019 UB US U9	\$7.75	<b>\$8.50</b>	< 20%	T2019 XU US U9	\$7.75	<b>\$8.50</b>

**Attestation of Compliance for Eligibility to Receive Enhanced Home and Community Based Services (HCBS) Federal Medical Assistance Percentage (FMAP) Funding and Other Rate Increases based on Targeted State Appropriations**

Enhanced HCBS FMAP Funds are dollars being used within Tennessee's Home and Community Based Services (HCBS) Programs—CHOICES, Employment Community First CHOICES (ECF), and 1915(c) Waiver Programs—to increase access to HCBS, strengthen the HCBS workforce, and build provider capacity to meet the needs of individuals receiving HCBS in these programs. Recurring funding will be provided through targeted State appropriations. In addition, provider rates are being further increased based on state budget approval to support additional wage increases for frontline direct support professionals (DSPs) working in TennCare's home- and community-based services programs, including CHOICES, Employment and Community First CHOICES, and the 1915(c) Waivers operated by DIDD. The below attestation is confirmation that my agency will comply with all applicable requirements pertaining to eligibility for 1) the submission of claims or requests for payment of these federal funds, and 2) the receipt of these federal funds as prescribed by TennCare in written memos, protocols, or other communication. I further affirm that I will maintain documentation to demonstrate my agency's compliance with TennCare requirements, and cooperate fully with all audits or other requests for documentation related to these payments.

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**Attestation:**

- I understand that it is my responsibility to review eligibility requirements for each of the increased funding opportunities made available through federal Enhanced HCBS FMAP funding and/or state appropriations, and to only 1) submit claims or requests for payment of these federal and/or state funds; and 2) accept payment of these federal and/or state funds if eligibility requirements are met.
- I commit, as an Officer or Delegate Official, that complete documentation of compliance with these requirements will be maintained, and that records will be available upon request for auditing and validation of compliance for all federal and/or state payments received.
- I acknowledge that any federal or state funding accepted by my agency for which eligibility requirements are not met is subject to recoupment, and that any such funding received, or any claims or requests for such funding for which eligibility requirements are not met, is subject to potential False Claims Act violations.
- I am a part of senior leadership within the provider agency with authority to sign on behalf of the agency.
- I understand if there are any indications that any provider agency engaging in activities to maximize incentive payments through fraudulent means will be reported to the TennCare Office of Program Integrity, the TBI, and Tennessee Attorney General's office for an investigation related to violation of the False Claims Act.

Attestation Type	
<input type="checkbox"/> Initial <input type="checkbox"/> Annual Renewal ( <i>annual renewals are due no more than 365 days from the date on the initial attestation</i> )	
Provider Information	
Name:	Provider Medicaid Identification:
Tax Identification Number:	Date of Attestation:
Address:	
Printed name of signature:	
Title:	
Date:	
Authorized signature: <sup>1</sup>	

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<sup>1</sup> A scanned, imaged, electronic, photocopy or stamp of the above signature shall have the same force and effect as an originally executed signature.