








## High Quality, Cost-Effective

TennCare is Tennessee’s managed care Medicaid program which provides health insurance coverage to certain groups of low-income individuals such as pregnant women, children, parents or caretaker relatives of minor children, older adults, and adults with disabilities.

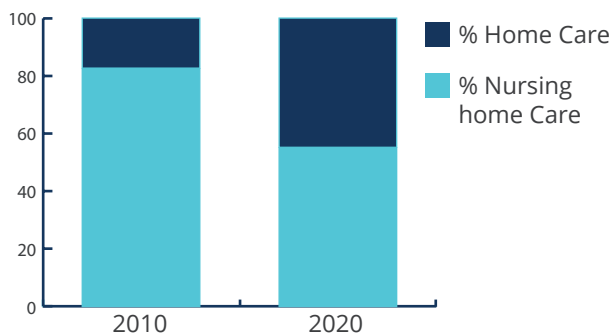
- Over **1.7 million** Tennesseans are enrolled in TennCare.
- That’s more than **23%** of the state’s population.
- TennCare pays for **50% of births** in the state.

### Enrolled Members Snapshot

-  **877,098** Tennessee Children
-  **329,709** Parents or caretaker relatives of minor children
-  **254,709** Individuals with disabilities
-  **45,013** Pregnant Women
-  **15,521** Older adults

### Member Satisfaction

**95% Satisfaction!** TennCare has scored **90% or better** on the annual satisfaction survey conducted by the University of Tennessee **for the past 14 years.**



**More individuals** needing long-term services and supports (LTSS) **are choosing** to be served at **home and in the community** rather than in a nursing home.

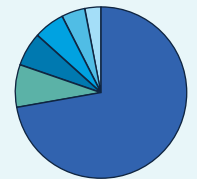
### Quality Improvements

- ⊕ Serving Tennesseans through Delivery System Transformation:
  - **89,245 members in Health Link**
  - **778,249 in Patient-Centered Medical Homes**
  - **Covering 48 episodes of care**
- ⊕ Overall, the number of TennCare new, acute opioid users has **declined by 58% since 2015**. The largest decrease occurred following the implementation of new TennCare opioid benefit limits.
- ⊕ **Throughout 2021, 356 high-quality providers** provided opioid use disorder treatment and recovery services to **15,000 members** through TennCare’s dedicated medication assistant treatment network.
- ⊕ TennCare’s Preferred Drug List compliance in 2021 is an industry-leading 94.84%.
- ⊕ From **FY20 to FY21**, the **statewide EPSDT screening rates** for TennCare infants improved from 93% to 97%.

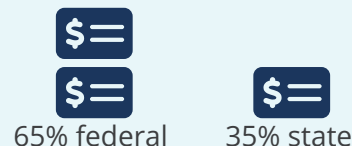
### TennCare Finances

#### TennCare Budget: \$14 Billion

- + Clinical Services 72.10%
- + Intellectual Disability Services (DIDD) 8.12%
- + Medicare Services 5.82%
- + TennCare Admin. 5.78%
- + Hosp. Supplemental Payments 5.07%
- + Children’s Services (DCS) 3.11%



#### Funding sources:



# TennCare's Managed Care Model

TennCare's managed care model means TennCare and CoverKids contract with health insurance plans - also known as managed care organizations or MCOs. **A health plan coordinates care for TennCare members and maintains a network of providers like doctors, hospitals, specialists, pediatricians, and nursing homes.**

## About Managed Care Model

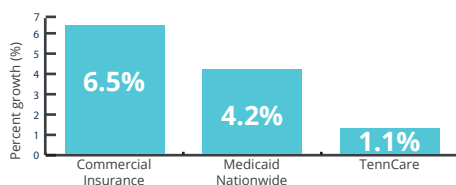
- + Tennessee is a leading managed care state.
- + Strategies include negotiated rates, network optimization, insurer care coordination, and prior authorization for certain medications and services.
- + Integrated care increases efficiencies, reduces cost shifting, and promotes more appropriate utilization of services.
- + TennCare pays the health plans a **Per Member Per Month (PMPM)** rate which is similar to a health insurance premium. The health plans pay the providers for services delivered to members.

## Managed Care Model Financial Effect

TennCare currently makes up approximately 17% of the state budget.

**Managed care has helped control state spend.**

### Trends in Spending Growth:



## TennCare's Then and Now

### 1994: 13% trend rate

- Rapidly escalating costs with little control
- Volatile, fragmented and numerous health plans
- Few quality measures
- Limited long-term care options
- Volume-based payments

### Now: less than 4% trend rate

- Sustainable cost trends with effective utilization management
- Stable, experienced health plans with statewide operations
- Require NCQA accreditation, full set of HEDIS measures, and CAHPS for all health plans
- More home and community-based options for more people
- Delivery system transformation with focus on value

## TennCare's Managed Care Organizations



### + Plans cover:



#### Medical

- Visits to a primary care physician
- Inpatient and outpatient surgeries
- Visits to the Emergency Room



#### Behavioral

- Mental & behavioral health services
- Visits to a psychiatrist
- Treatment for addictions



#### Long-Term Services & Supports

- Nursing facility care
- Home & community based services
- I/DD services like employment services

## Other TennCare Plans



#### Dental Plan

- Dental benefits are managed by DentaQuest
- Includes regular dental exams, x-rays, and other oral treatments



#### Pharmacy Plan

- Pharmacy benefits are managed by OptumRX



#### TennCareSelect

- A statewide health plan serving children in state custody and other vulnerable populations