



TENNCARE PRESENTATION TO THE 3-STAR TASK FORCE

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04/26/2016
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TennCare

- TennCare is the state of Tennessee’s Medicaid program. People on Medicaid are primarily low-income children, pregnant women, caregivers of children, and people who are elderly or have disabilities.
- People not covered by Medicaid are primarily non-pregnant, non-disabled adults under the age of 65 who have no dependent children in the household.
- TennCare is funded by both the state and the federal government. The program is administered by the state with federal oversight. Funding is approximately 65% federal and 35% state.
- To qualify for Medicaid, an individual must fit into a specific category AND have a household income below a certain level of the Federal Poverty Level (FPL). Each category of Medicaid has a different level of FPL threshold.

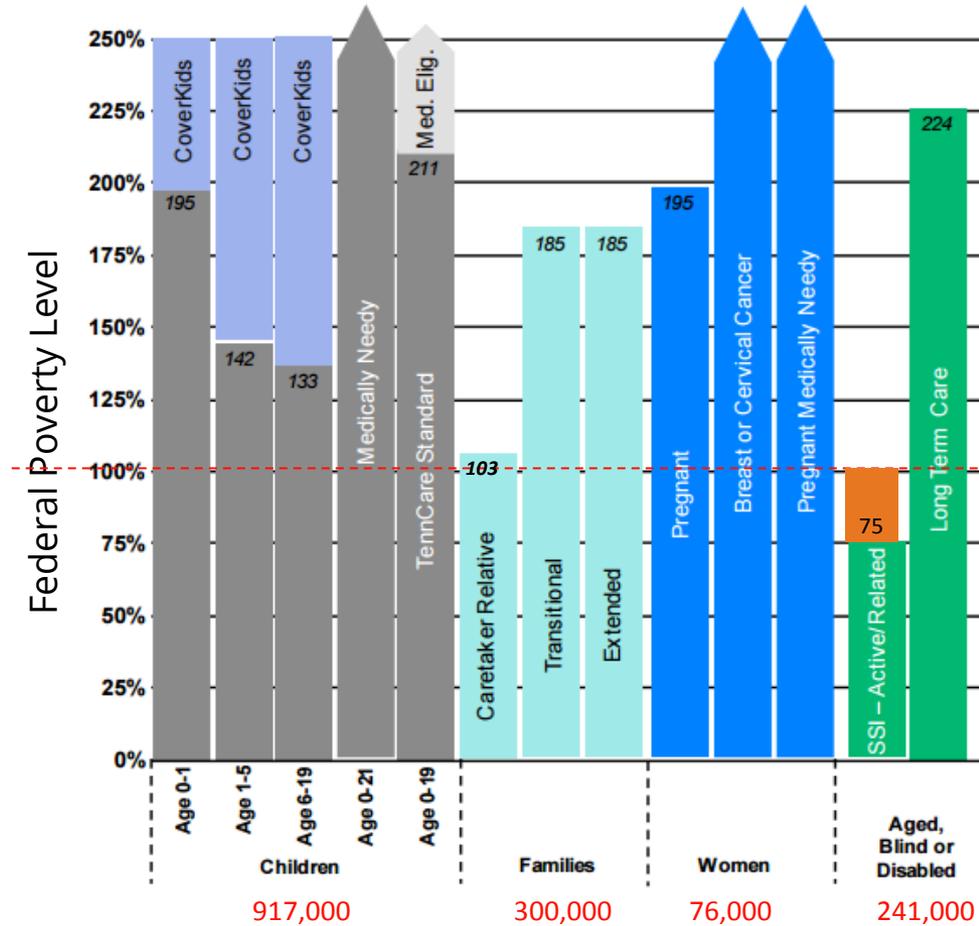
100% FPL for a family of 4 → \$24,250 Per year

133% FPL for a family of 4 → \$32,253 Per year

200% FPL for a family of 4 → \$48,500 Per year



Tennessee Medicaid Coverage Groups and Eligibility Requirements



Orange box — Individuals who fit into a Medicaid category who fall into the Coverage Gap due to household income being above Medicaid eligibility criteria but below Marketplace subsidy criteria.

Population by County

County	Current TennCare Population**	Uninsured under 65 <=138%FPL**
ANDERSON	17200	3881
BEDFORD	13600	4171
BENTON	4400	1117
BLEDSE	3500	885
BLOUNT	23800	6561
BRADLEY	23500	6494
CAMPBELL	13900	2718
CANNON	3200	919
CARROLL	8200	1802
CARTER	13900	4012
CHEATHAM	8000	2171
CHESTER	4100	994
CLAIBORNE	9800	2021
CLAY	2300	626
COCKE	12100	2801
COFFEE	14200	3561
CROCKETT	4200	1161
CUMBERLAND	13500	3809
DAVIDSON	153800	48497
DECATUR	3100	841
DEKALB	5600	1640
DICKSON	11700	2847
DYER	11500	2352
FAYETTE	7300	1918
FENTRESS	6500	1431
FRANKLIN	8400	2113
GIBSON	14000	2916
GILES	6700	1846
GRAINGER	6300	1635
GREENE	16400	4735

County	Current TennCare Population**	Uninsured under 65 <=138%FPL**
GRUNDY	5000	1039
HAMBLE	16900	4871
HAMILTON	71400	19206
HANCOCK	2500	592
HARDEMAN	7600	1628
HARDIN	7700	1816
HAWKINS	14600	3509
HAYWOOD	6200	1468
HENDERSON	7700	1740
HICKMAN	6700	1572
HOUSTON	2200	620
HUMPHREYS	4500	1140
JACKSON	3000	892
JEFFERSON	13300	3443
JOHNSON	4800	1165
KNOX	81600	22853
LAKE	2400	358
LAUDERDALE	8400	1829
LAWRENCE	11400	2967
LEWIS	3200	928
LINCOLN	8000	1790
LOUDON	9700	2732
MACON	7300	1969
MADISON	26300	5999
MARION	7600	1834
MAURY	19700	4763
MCMINN	13100	819
MCNAIRY	8200	3316
MEIGS	3400	1736
MONROE	12400	3126

County	Current TennCare Population* +	Uninsured under 65 <=138%FPL**
MONTGOMERY	35800	9539
MOORE	900	354
MORGAN	5100	1322
OBION	8500	1970
OVERTON	5500	1501
PERRY	2200	679
PICKETT	1200	424
POLK	4500	1162
PUTNAM	18300	5609
RHEA	9700	2191
ROANE	12300	2707
ROBERTSON	14500	3958
RUTHERFORD	51800	15814
SCOTT	8400	1763
SEQUATCHIE	4200	960
SEVIER	21600	7482
SHELBY	281100	68308
SMITH	4600	1263
STEWART	3100	874
SULLIVAN	35300	9010
SUMNER	31100	8392
TIPTON	14500	3331
TROUSDALE	2200	553
UNICOI	4300	1126
UNION	5500	1462
VAN BUREN	1500	439
WARREN	11900	3558
WASHINGTON	25600	6821
WAYNE	3600	1092
WEAKLEY	7900	2552
WHITE	7600	1844
WILLIAMSON	12800	4496
WILSON	19900	4497
TOTAL	1,534,000	405,561



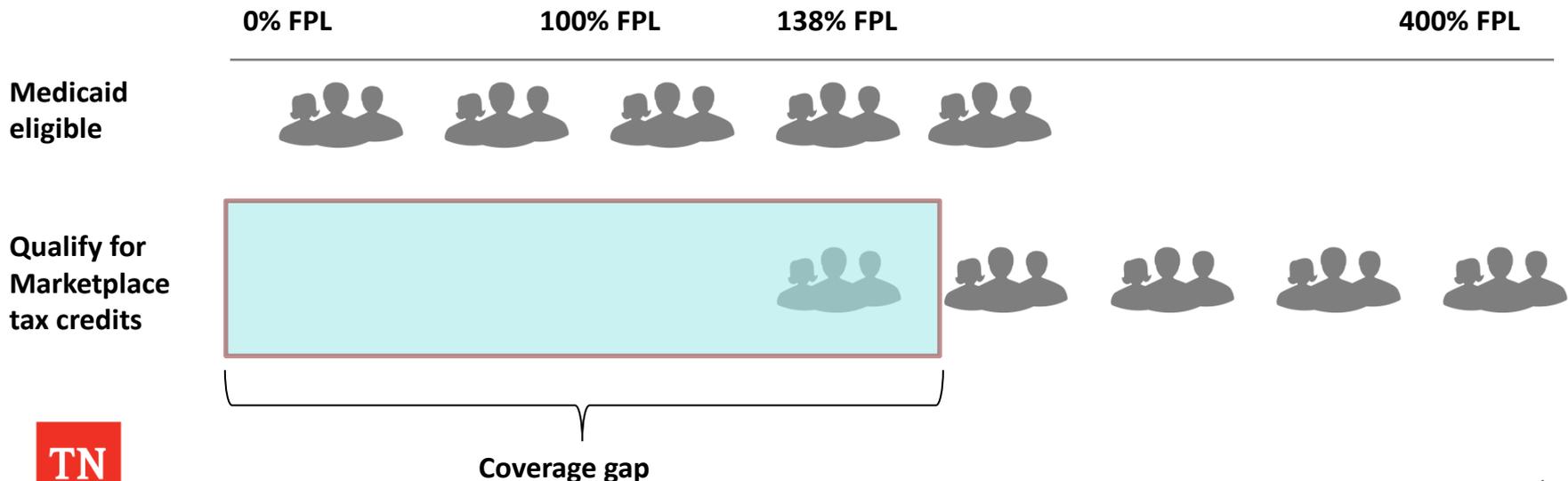
*Source: <http://tn.gov/tenncare/topic/enrollment-data>
 + March 2016 enrollment data rounded to the nearest thousand
 **Source: Tennessee Hospital Association March 2013

What is the Coverage Gap?

Because the Affordable Care Act (ACA) originally intended to make individuals with household incomes below 138% of poverty eligible for Medicaid, the law only allowed Marketplace subsidies for households between 100% and 400% of poverty. For states that did not offer additional Medicaid eligibility, this created a coverage gap. Those below 100% of poverty who do not qualify for Medicaid also do not qualify to receive federal subsidies to purchase insurance through the Marketplace.

The Coverage Gap includes individuals:

- Who do not qualify for Medicaid coverage.
- Make too little to qualify for tax credits to help buy coverage in the federal Health Insurance Marketplace.
- Who may not be able to afford coverage through the Marketplace even with tax credits.

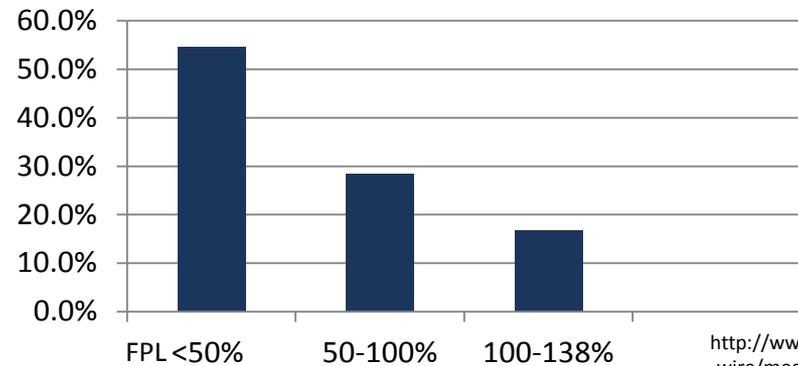


Who is in the Coverage Gap?

- In Tennessee, estimates range from approximately 200,000 to more than 400,000.
- We know, more than half are working, primarily in these industries⁺:
 - Food Service
 - Construction
 - Cleaning and Maintenance
 - Sales
 - Transportation

Urban Institute Health Policy Center

Tennesseans in Coverage Gap

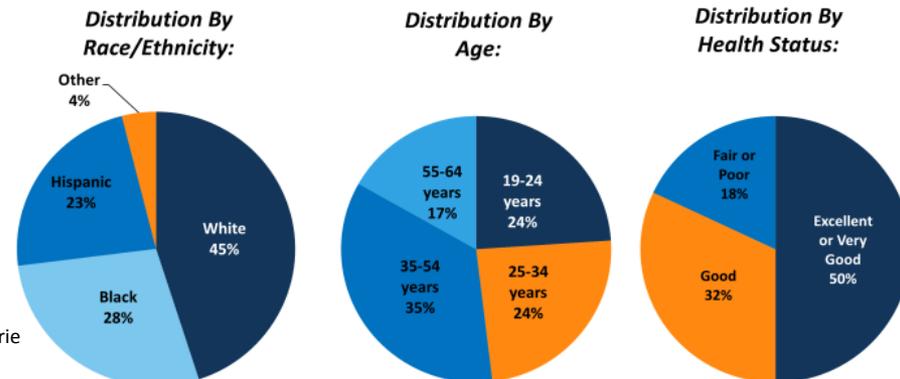


<http://www.urban.org/urban-wire/medicaid-expansion-could-make-health-insurance-affordable-56-million>

- Approximately 24,000 are veterans.*
- Approximately 25% reported behavioral health problems.**

Kaiser Family Foundation

Demographic Characteristics of Adults in the Coverage Gap



Total = 2.9 Million in the Coverage Gap



+ Source – familiesusa.org Sept.5, 2014
 *Source -UT Center for Business and Economic Research 2015.
 ** ASPE Issue Brief March 2016

<http://hrms.urban.org/briefs/A-Look-at-Remaining-Uninsured-Adults-as-of-March-2015.html>

Funding

- The ACA allows states to extend coverage to more people through Medicaid programs to address the Coverage Gap. The federal government provides enhanced federal funding for this coverage.
- CMS, the federal agency that oversees Medicaid programs and many of the provisions outlined in the ACA, has allowed some states to move forward with alternative coverage models which can also receive enhanced federal funding.

Enhanced Funding Schedule

Year	2014	2015	2016	2017	2018	2019	2020-
Rate	100%	100%	100%	95%	94%	93%	90%



Considerations

CMS conditions for enhanced match

- Must cover all persons in the target group (childless adults with incomes below 138% FPL).
- Must cover a comprehensive benefits package, with benefits in 10 “essential” categories and in amounts comparable to commercial coverage.
- Individuals under 21 must receive all traditional Medicaid benefits (EPSDT).
- Persons considered “medically frail” are generally required to have the option to receive services through traditional Medicaid.

Arrangements that CMS has allowed

- Premium assistance arrangements that buy individuals into private insurance.
- States must “wrap” required benefits if not provided by alternative coverage models.
- Wellness accounts, incentives for healthy behaviors, HSA-like accounts.
- Disenrolling individuals who fail to pay premiums.
- To date, CMS has not approved any program with work requirements as a condition of coverage.



Parameters for Cost Sharing

Traditionally in Medicaid, CMS has put very strict limits on the populations that are allowed to participate in cost sharing and on the amount of cost sharing that is permissible.

- In states addressing the Coverage Gap through alternative coverage models:
 - CMS has allowed states to charge premiums to individuals whose income is above 100% FPL.
 - Copays of \$4 (outpatient) , \$75 (inpatient), and \$8 (non-emergency ED use) are allowed for individuals with incomes below 100% FPL and for individuals in Medicaid managed care; higher copays are allowed for individuals with incomes above 100% FPL.
 - Copays are generally unenforceable for persons with incomes below 100% FPL.
 - Combined premiums and cost sharing cannot exceed 5% of household income.



THANK YOU

