

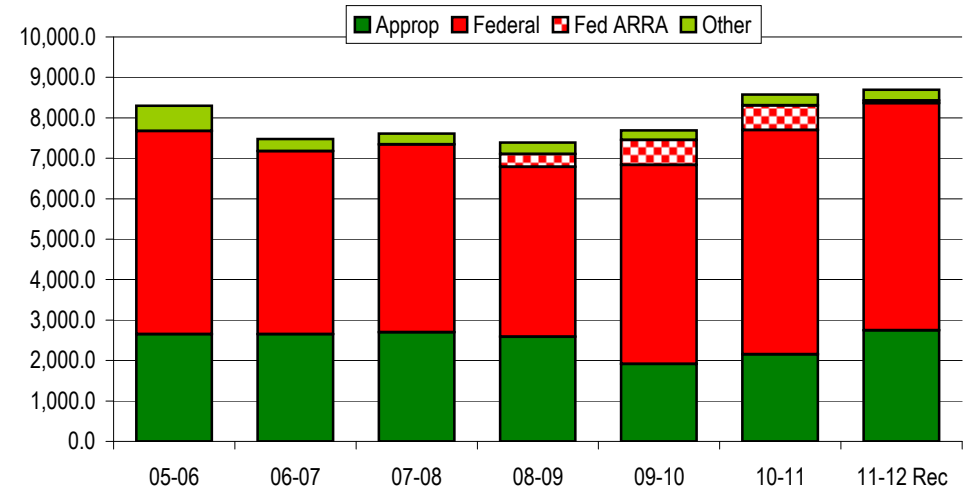
BUREAU OF TENNCARE

Finance, Ways & Means Committee

FUNDING (Million)									
	05-06	06-07	07-08	08-09	09-10	10-11	11-12 Imp	11-12 Rec	6 Yr Change
Total	\$8,298.9	\$7,475.2	\$7,611.3	\$7,388.6	\$7,689.7	\$8,578.8	\$395.7	\$8,693.6	5%
Approp	2,649.3	2,650.3	2,696.2	2,588.2	1,917.2	2,152.0	133.8	2,747.1	4%
Federal	5,023.7	4,523.5	4,648.2	4,197.8	4,914.5	5,543.9	261.9	5,618.5	12%
Fed ARRA	0.0	0.0	0.0	316.0	621.3	608.0	0.0	63.7	0%
Other	625.9	301.3	266.9	286.6	236.7	274.9	0.0	264.2	-58%

The decrease in FY 06-07 is due to several factors including the federal drug program clawback adjustment, funds transfer to MHDD for integrated MCO/BHO model in Middle TN, CMS disallowance of School-based services charges, CMS change in the definition of Public Nursing Homes

POSITIONS									
	05-06	06-07	07-08	08-09	09-10	10-11	11-12 Imp	11-12 Rec	6 Yr Change
Total	469	502	510	475	482	491	-	482	3%
FT	469	502	510	475	482	491	-	482	3%
PT	-	-	-	-	-	-	-	-	0%



MAJOR PROGRAMS

TennCare Medical Services (health care, mental health services and long-term care)
 Intellectual Disabilities Services
 Supplemental Payments (special hospital payments, FQHCs, GME, Meharry, Health Information Technology)

Medicare Services
 Governor's Office of Children's Care Coordination

BASE REDUCTIONS (Recurring)	Cumulative Change	FY11-12				FY10-11				FY09-10				FY08-09	
		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction	
		Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Program Area	(\$585.2M)	(\$39.9M)	(9)	\$265.0M	0	(\$175.1M)	(2)	\$306.7M	0	(\$255.7M)	0	\$167.1M	0	(\$114.5M)	(37)
Eliminate Governor's Office of Children's Care Coordination		(\$0.2M)	(9)	-	-	-	-	-	-	-	-	-	-	-	-
Eliminate American Academy of Pediatrics grant		(\$0.2M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce reimbursement for birthing methods		(\$14.9M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Limit sedative hypnotic drugs to 14 per month		(\$0.4M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Place a dosage limit on opiod detox for adults		(\$1.3M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Exclude acne products from coverage for non-pregnant adults		(\$0.2M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Implement a new hemophilia management program		(\$0.3M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce reimbursement to emergency room physicians for non-emergency services to a triage fee		(\$8.4M)	-	-	-	-	-	-	-	-	-	-	-	-	-
TennCare share of Dept. of Human Services reductions		(\$0.3M)	-	-	-	-	-	-	-	-	-	-	-	-	-
TennCare share of Dept. of Children's Services reductions		(\$0.3M)	-	-	-	-	-	-	-	-	-	-	-	-	-

BASE REDUCTIONS (Recurring) (continued)	FY11-12				FY10-11				FY09-10				FY08-09	
	Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
TennCare share of Dept. of Intellectual Disabilities reductions	(\$0.7M)	-	-	-	-	-	-	-	-	-	-	-	-	-
TennCare share of Dept. of Commerce & Ins. Reductions	(\$0.0M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce reimbursement rates for non-hospital and professional providers by 1.5 percent	(\$12.7M)	-	-	-	-	-	-	-	-	-	-	-	-	-
Reductions funded Through FY11-12 (Core Services)														
TennCare share of DCS reductions	-	-	\$0.3M	-	-	-	\$0.3M	-	(\$2.9M)	-	\$2.3M	-	-	-
Non-Recurring FY10-11 improvement funded through FY 11-12 (Core Services)														
TennCare share of DCS - Extended Foster Care	-	-	\$0.1M	-	-	-	-	-	-	-	-	-	-	-
Reductions Restored in FY 11-12 with the Hospital Coverage Assessment (contingent upon passage)														
Postpone indefinitely the expansion of medically needy category	-	-	\$11.1M	-	-	-	\$8.6M	-	(\$11.4M)	-	-	-	-	-
Eliminate Essential Access Hospital supplemental payments for uncompensated care	-	-	\$33.8M	-	-	-	\$34.2M	-	(\$34.8M)	-	\$25.9M	-	-	-
Eliminate Graduate Medical Education payments to teaching hospitals and affiliated medical universities	-	-	\$16.9M	-	-	-	\$13.2M	-	(\$17.4M)	-	\$12.9M	-	-	-
Eliminate Critical Access Hospital supplemental payments for uncompensated care	-	-	\$3.4M	-	-	-	\$2.6M	-	(\$3.5M)	-	\$2.6M	-	-	-
Reduce reimbursement for the Medicaid portion of Medicare Part A crossover services (includes institutional crossover services and dialysis services)	-	-	\$12.0M	-	-	-	\$9.4M	-	(\$12.4M)	-	\$9.2M	-	-	-
Reduce MCO capitation rates with instructions to reduce provider payments by a set percentage. FY 11 1% of 7% reduction restored by Assessment FY 12 Professionals and Hospitalization restored by Assessment	-	-	\$62.8M	-	-	-	\$9.6M	-	(\$10.9M)	-	\$8.1M	-	-	-
Estb. hospital reimb. ceiling @ 100% of Medicare rates	-	-	\$22.5M	-	(\$17.8M)	-	\$13.7M	-	-	-	-	-	-	-
For non-pregnant adults:														
\$10,000 annual cap on inpatient services	-	-	\$45.7M	-	(\$51.2M)	-	\$39.4M	-	-	-	-	-	-	-
8 procedure annual cap on lab and x-ray procedures	-	-	\$27.3M	-	(\$20.6M)	-	\$15.9M	-	-	-	-	-	-	-
Eliminate occupational, physical & speech therapies	-	-	\$4.5M	-	(\$3.4M)	-	\$2.6M	-	-	-	-	-	-	-
8 outpatient procedures annual cap	-	-	\$10.3M	-	(\$9.7M)	-	\$7.5M	-	-	-	-	-	-	-
8 visit annual cap on physician office visits	-	-	\$14.3M	-	(\$13.1M)	-	\$10.1M	-	-	-	-	-	-	-
Prior Year Reductions not Continued														
Reductions Restored in FY 10-11 with the Hospital Coverage Assessment and Clawback Enhanced Match														
Charge \$2 co-pay for non-emergency transport	-	-	-	-	(\$1.3M)	-	\$1.1M	-	-	-	-	-	-	-
Change MAC pricing on generics to \$1 + \$3 disp. Fee	-	-	-	-	(\$5.6M)	-	\$4.8M	-	-	-	-	-	-	-
Eliminate Meharry Medical College grant (\$5M total)	-	-	-	-	(\$1.7M)	-	\$1.5M	-	-	-	-	-	-	-
Change MAC pricing to AWP - 82% for generics not widely accessible (currently AWP - 79%)	-	-	-	-	(\$4.1M)	-	\$3.5M	-	-	-	-	-	-	-
Reduction in PMPM cost growth due to benefit limits	-	-	-	-	(\$6.8M)	-	\$5.2M	-	-	-	-	-	-	-

BASE REDUCTIONS (Recurring) (continued)	FY11-12				FY10-11				FY09-10				FY08-09	
	Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Prior Year Reductions not Continued														
Require four activities of daily living (ADL) deficiencies to qualify for nursing home and HCBS programs. Currently, individuals required to have one ADL deficiency to meet eligibility criteria, as enacted in the Long Term Care Community Choices Act of 2008 <i>Restored as an improvement in FY11-12</i>	-	-	-	-	-	-	\$13.1M	-	(\$16.4M)	-	\$12.2M	-	-	-
Eliminate Meharry Medical College \$3,000,000 state-funded grant and reduce by half the \$5,000,000 grant (\$1,737,600 state appropriations)	-	-	-	-	-	-	\$4.5M	-	(\$4.7M)	-	\$4.3M	-	-	-
Reduce all nursing home reimbursement rates on a recurring basis by seven percent	-	-	-	-	-	-	\$19.0M	-	(\$22.9M)	-	\$17.0M	-	-	-
Reduce recurring funds for managed care organization (MCO) administration, including claims processing	-	-	-	-	-	-	\$7.6M	-	(\$7.7M)	-	\$5.7M	-	-	-
Reduce MCO capitation rates with instructions to reduce provider payments by a set percentage. FY 11 6% of 7% reduction restored by Clawback enhanced match	-	-	-	-	-	-	\$64.4M	-	(\$65.1M)	-	\$48.5M	-	-	-
Reduce dental provider rates by 7%	-	-	-	-	-	-	\$3.3M	-	(\$3.9M)	-	\$2.9M	-	-	-
Reduce reimbursement rates for privately owned and operated Intermediate Care Facilities for the Mentally Retarded (ICF-MR) on a recurring basis by 7%	-	-	-	-	-	-	\$2.0M	-	(\$2.4M)	-	\$1.8M	-	-	-
Reduce capitation rates for Program of All-Inclusive Care for the Elderly (PACE), a managed care HCBS program for the elderly and disabled located in Hamilton Co. by 7%	-	-	-	-	-	-	\$0.3M	-	(\$0.3M)	-	\$0.2M	-	-	-
TennCare share of DCS reductions	-	-	-	-	(\$1.2M)	-	\$1.1M	-	-	-	-	-	-	-
Reduction Restored as a FY 10-11 Non-recurring Improvement														
Perinatal grants to university hospitals for outreach and education	-	-	-	-	-	-	\$2.3M	-	(\$2.3M)	-	\$2.3M	-	-	-
Increase revenue-online pharmacy rebate program	-	-	-	-	(\$2.7M)	-	-	-	-	-	-	-	-	-
Data sharing contracts increased revenue	-	-	-	-	(\$0.9M)	-	-	-	-	-	-	-	-	-
TennCare share of DHS reductions	-	-	-	-	(\$0.2M)	-	-	-	-	-	-	-	-	-
GOCCC-contracts, operational costs, positions	-	-	-	-	(\$0.5M)	(2)	-	-	-	-	-	-	-	-
Provider reimb.-add'l savings from FY 09-10 reduction	-	-	-	-	(\$14.1M)	-	-	-	-	-	-	-	-	-
TennCare share of DIDS reductions	-	-	-	-	(\$14.4M)	-	\$6.1M	-	-	-	-	-	-	-
TennCare share of Commerce & Ins. Reductions	-	-	-	-	(\$0.1M)	-	-	-	-	-	-	-	-	-
Modify DME contracts to implement bulk purchasing	-	-	-	-	(\$3.4M)	-	-	-	-	-	-	-	-	-
Establish outreach to members over age 65	-	-	-	-	(\$0.4M)	-	-	-	-	-	-	-	-	-
Reimburse posterior dental fillings at non-composite materials level	-	-	-	-	(\$0.4M)	-	-	-	-	-	-	-	-	-

Program Area	FY11-12				FY10-11				FY09-10				FY08-09	
	Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Prior Year Reductions not Continued														
Use single source agent for diabetic supplies, proton pump inhibitors, & growth hormones	-	-	-	-	(\$1.0M)	-	-	-	-	-	-	-	-	-
TennCare share of F & A OIG reductions	-	-	-	-	(\$0.2M)	-	-	-	-	-	-	-	-	-
Eliminate TennCare portion of Medstat contract, which provides decision support services. TennCare has developed an in-house analytics capacity.	-	-	-	-	-	-	-	-	(\$0.6M)	-	-	-	-	-
Eliminate Shared Health contract for on-going maintenance of electronic medical records system.	-	-	-	-	-	-	-	-	(\$6.0M)	-	-	-	-	-
Eliminate funds for Memphis City Schools comprehensive school health program that provides consultation and case management. Medically necessary services will be provided through MCO's.	-	-	-	-	-	-	-	-	(\$0.3M)	-	\$0.3M	-	-	-
Eliminate funding for contract with UT College of Pharmacy to provide add'l clinical oversight of pharmacy program.	-	-	-	-	-	-	-	-	(\$0.1M)	-	\$0.1M	-	-	-
Mandate all providers accept payments and remittance advice from TennCare electronically, resulting in mail/printing savings.	-	-	-	-	-	-	-	-	(\$0.5M)	-	-	-	-	-
Streamline HCBS program for elderly & disabled by direct contracts between TennCare and Area Agencies on Aging and Disability instead of a contract between TennCare and Commission on Aging and Disability for Commission to administer program.	-	-	-	-	-	-	-	-	(\$0.9M)	-	\$0.9M	-	-	-
Defer technology upgrades to the Medicaid Management Information System.	-	-	-	-	-	-	-	-	(\$0.5M)	-	\$0.5M	-	-	-
Prohibit managed care organizations from including auto-inflator clauses in contracts with network providers.	-	-	-	-	-	-	-	-	(\$0.5M)	-	-	-	-	-
Eliminate practice of granting 30-day retroactive eligibility on pre-admission evaluation applications for long term care services. Savings from absence of retroactive facility payments.	-	-	-	-	-	-	-	-	(\$13.8M)	-	-	-	-	-
TennCare share of the DMRS reductions	-	-	-	-	-	-	-	-	(\$12.7M)	-	\$8.7M	-	-	-
GOCCC contracts	-	-	-	-	-	-	-	-	(\$0.9M)	-	\$0.9M	-	-	-
TennCare share of Finance and Administration, Office of Inspector General reductions.	-	-	-	-	-	-	-	-	(\$0.2M)	-	-	-	-	-

BASE REDUCTIONS (Recurring) (continued)	FY11-12				FY10-11				FY09-10				FY08-09	
	Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction		One-time Restoration		Reduction/Improvement	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Program Area														
FY 08-09 Reductions and Reallocations														
Federal Medicaid Match Rate from 63.695% to 64.138%	-	-	-	-	-	-	-	-	-	-	-	-	(\$29.1M)	-
Adult Home Health / Private Duty Nurse - cap at nursing home cost	-	-	-	-	-	-	-	-	-	-	-	-	(\$31.5M)	-
Medicare Crossover Reimbursement Methodology -Ambulance	-	-	-	-	-	-	-	-	-	-	-	-	(\$4.1M)	-
Medicare Crossover Reimbursement Methodology - Durable Medical Equipment	-	-	-	-	-	-	-	-	-	-	-	-	(\$8.6M)	-
Reimbursement Method - Eliminate percent of billed charges in MCOs	-	-	-	-	-	-	-	-	-	-	-	-	(\$1.8M)	-
Less: Base Increase - Pharmacy Trend	-	-	-	-	-	-	-	-	-	-	-	-	\$6.5M	-
Less: Base Increase - Medical Trend	-	-	-	-	-	-	-	-	-	-	-	-	\$25.9M	-
Less: Base Increase - Medicare Parts A & B cost sharing increase	-	-	-	-	-	-	-	-	-	-	-	-	\$2.0M	-
Less: Base Increase - PACE in Hamilton Co.	-	-	-	-	-	-	-	-	-	-	-	-	\$0.2M	-
Less: Base Increase - Loss of Premiums	-	-	-	-	-	-	-	-	-	-	-	-	\$15.0M	-
TennCare for MR-Main Waiver-FY 08 Normal Growth	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.3M)	-
TennCare for MR-Main Waiver-FY 09 Normal Growth	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.7M)	-
TennCare for MR- ICF-MR Tax Reduction	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.5M)	-
Delay part of Medically needy expansion to FY 09-10 decision	-	-	-	-	-	-	-	-	-	-	-	-	(\$80.0M)	-
Voluntary buyout related reductions	-	-	-	-	-	-	-	-	-	-	-	-	(\$7.6M)	(37)

BASE BUDGET REALLOCATIONS	FY11-12				FY10-11				FY09-10			
	(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Program Area												
TennCare for DIDD:												
Transfer from Greene Valley to East TN Resource Center	(\$1.4M)	-	-	-	-	-	-	-	-	-	-	-
Transfer from Greene Valley to East TN Homes	(\$1.7M)	-	-	-	-	-	-	-	-	-	-	-
Reduce case management positions	(\$0.5M)	-	-	-	-	-	-	-	-	-	-	-
Transfer from Middle TN Office to Resource Center	(\$0.5M)	-	-	-	-	-	-	-	-	-	-	-
Transfer West TN staff to Community Homes	(\$0.1M)	-	-	-	-	-	-	-	-	-	-	-
Regional Office cost allocation	(\$0.8M)	-	-	-	-	-	-	-	-	-	-	-
Transfer Greene Valley Staff to Middle TN Homes	(\$0.4M)	-	-	-	-	-	-	-	-	-	-	-
West TN Resource Center cost allocation changes	(\$0.6M)	-	-	-	-	-	-	-	-	-	-	-
Reduce West TN Regional Office staff	(\$0.2M)	-	-	-	-	-	-	-	-	-	-	-
Transfer from Greene Valley to Resource Center	\$0.3M	-	-	-	-	-	-	-	-	-	-	-
Transfer from Greene Valley to East TN Homes	\$1.7M	-	-	-	-	-	-	-	-	-	-	-

Program Area	FY11-12				FY10-11				FY09-10			
	(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
TennCare for DIDD (continued):												
Additional staffing for the Middle TN Homes	\$0.3M	-	-	-	-	-	-	-	-	-	-	-
Staffing Middle Tennessee Resource Center	\$0.5M	-	-	-	-	-	-	-	-	-	-	-
Transfer West TN staff to Community Homes	\$0.1M	-	-	-	-	-	-	-	-	-	-	-
Cost allocation changes	\$0.7M	-	-	-	-	-	-	-	-	-	-	-
Funding allocation changes	\$0.9M	-	-	-	-	-	-	-	-	-	-	-
West TN Community Homes funding	\$0.3M	-	-	-	-	-	-	-	-	-	-	-
Department-wide benefits shortfall	\$0.8M	-	-	-	-	-	-	-	-	-	-	-
Prior Year Reallocations - no change												
Savings generated through reverifying eligibility for the Daniels class	-	-	-	-	(\$170.0M)	-	\$13.9M	-	-	-	-	-
Reduced pharmacy pricing from AWP methodology change coming out of national lawsuit	-	-	-	-	(\$6.1M)	-	\$0.9M	-	-	-	-	-
DME-Implement prior authorization on apnea monitors	-	-	-	-	(\$0.1M)	-	\$0.0M	-	-	-	-	-
Expenditure increase for 5.2% enrollment growth	-	-	-	-	\$176.1M	-	(\$24.9M)	-	-	-	-	-
DIDS - Arlington Dev. Ctr. - Savings from closure	-	-	-	-	(\$1.5M)	-	-	-	-	-	-	-
DIDS - Central Office- Eliminate three positions	-	-	-	-	(\$0.1M)	-	-	-	-	-	-	-
DIDS-West TN Community Homes - Eliminate 77 positions	-	-	-	-	(\$1.7M)	-	-	-	-	-	-	-
DIDS - Greene Valley Dev. Ctr. - Eliminate 52 positions due to move of some residents to private ICF-MRs	-	-	-	-	(\$0.4M)	-	-	-	-	-	-	-
DIDS - Greene Valley Dev. Ctr. - Reduce cost per day	-	-	-	-	(\$4.8M)	-	\$4.0M	-	-	-	-	-
DIDS - Clover Bottom Dev. Ctr. - Downsize to 32 beds	-	-	-	-	(\$7.7M)	-	\$3.9M	-	-	-	-	-
DIDS - Limit adult dental services to \$2,500 per year	-	-	-	-	(\$0.4M)	-	-	-	-	-	-	-
DIDS - Limit nutrition services visits to 6 per year	-	-	-	-	(\$0.1M)	-	-	-	-	-	-	-
DIDS - Limit nursing service visits to 12 hours per day	-	-	-	-	(\$4.9M)	-	-	-	-	-	-	-
DIDS - Fully fund current waiver enrollment	-	-	-	-	\$21.5M	-	-	-	-	-	-	-
DIDS - Waiver svcs. enrollment growth of 108 persons	-	-	-	-	\$4.5M	-	-	-	-	-	-	-
DIDS - Startup and operations for 4 new ICF-MR Group Homes for 6 months	-	-	-	-	\$0.7M	-	-	-	-	-	-	-
DMRS West TN Community Homes - abolish 37 positions	-	-	-	-	-	-	-	-	(\$0.5M)	-	-	-
DMRS Clover Bottom - abolish 133 positions	-	-	-	-	-	-	-	-	(\$1.2M)	-	\$2.4M	-
Prescription drug reimbursement change from inter-departmental revenue from TennCare to current svcs. revenue received directly from Medicare.	-	-	-	-	-	-	-	-	(\$0.8M)	-	-	-
DMRS Arlington abolish 75 positions	-	-	-	-	-	-	-	-	(\$0.6M)	-	\$0.4M	-

Program Area	FY11-12				FY10-11				FY09-10			
	(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration		(Reduction)/Improvement		One-time Restoration	
	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos	Approp	Pos
Prior Year Reallocations - no change												
DMRS Greene Valley transfer 148 positions to East TN Community Homes due to transfer of 32 residents to 8 new ICF-MR group homes.	-	-	-	-	-	-	-	-	(\$2.4M)	-	-	-
TennCare share of funding to annualize costs of DMRS clients enrolled in 08-09	-	-	-	-	-	-	-	-	\$0.1M	-	-	-
TennCare share of funding to annualize the costs of DCS clients enrolled into DMRS services in 08-09.	-	-	-	-	-	-	-	-	\$1.0M	-	-	-
TennCare share of funding to enroll DCS clients who have aged out of DCS to DMRS services in 09-10	-	-	-	-	-	-	-	-	\$0.8M	-	-	-
TennCare share of funding to annualize the cost to enroll clients transitioned from nursing homes in 08-09	-	-	-	-	-	-	-	-	\$0.3M	-	-	-
TennCare share of funding to enroll 24 clients transitioning from nursing homes in fiscal 2010	-	-	-	-	-	-	-	-	\$0.3M	-	-	-
TennCare share of costs to comply with Clover Bottom lawsuit	-	-	-	-	-	-	-	-	\$0.2M	-	-	-
TennCare share of costs for startup and operations of 8 new ICF - MR group homes \$71,400 nonrecurring.	-	-	-	-	-	-	-	-	\$2.4M	-	\$0.1M	-
TennCare share of costs increases for DMRS conservatorship and inventory for Client and Agency Planning scoring contracts	-	-	-	-	-	-	-	-	\$0.2M	-	-	-
TennCare share of electricity rate increases at DMRS Clover Bottom and Greene Valley Dev. Ctrs.	-	-	-	-	-	-	-	-	\$0.1M	-	-	-

FY10-11 SUPPLEMENTAL APPROPRIATIONS

	Total	State	Federal	Other
	\$217.7M	\$23.2M	\$194.5M	\$0.0M
Hospital Coverage Assessment Items - Recognizes additional revenues	\$175.2M	\$11.8M	\$163.4M	\$0.0M
Intellectual and Developmental Disabilities:				
Benefits limits @ April 30	\$31.9M	\$8.4M	\$23.5M	\$0.0M
Clover Bottom Developmental Center - Downsizing delay	\$10.7M	\$3.0M	\$7.7M	\$0.0M

BASE BUDGET ADJUSTMENT

	Total	State	Federal	Other
Hospital Coverage Assessment	\$1320.3M	\$449.8M	\$870.5M	\$0.0M

PROPOSED IMPROVEMENTS

	Total	State	Federal	Other
	\$395.7M	\$133.8M	\$261.9M	\$0.0M
Medical utilization and inflation	\$295.8M	\$99.9M	\$195.9M	\$0.0M
Long term care eligibility criteria	\$47.1M	\$15.9M	\$31.2M	\$0.0M
Intellectual Disabilities services	\$52.8M	\$18.0M	\$34.7M	\$0.0M

ARRA FUNDING

	Award Amt	Disbursed thru Dec 2010
Enhanced Federal Match (FMAP)	\$1,881.4M	\$1,674.5M

IMPROVEMENT HISTORY (state appropriations)

Rec = Recurring; NR = Nonrecurring ^Funded from Clawback savings *Funded from Hospital Coverage Assessment #Funded from Assessment enhanced match

		Loss of Supplemental Prescription Rebates#	
Hospital Payments			"Funded from continuation of enhanced match"
\$10.0M FY 10-11	State Supplemental Hospital Grant (NR)^	\$5.5M FY 10-11	NR
\$13.6M FY 10-11	Disproportionate Share Hospital Payments (NR)*		
\$6.0M FY 10-11	Additional Cost-Based Reimbursement for Critical Access (NR)*		
\$10.0M FY 10-11	Critical Access Hospitals - Unreimbursed Costs of Services (NR)"	Program Growth	
\$80.0M FY 10-11	Hospital Payments - Unreimbursed Costs (NR)*	\$30.1M FY 07-08	Medicare cost sharing, pharmacy & medical utilization, five positions (Rec)
\$35.8M FY 05-06	Essential Access Hospital Payments (Rec)	\$24.9M FY 06-07	2.2% enrollment growth (Rec)
		\$21.5M FY 05-06	Medicare costs, dental services, private MR, Long term care (Rec)
Home and Community Based Services		Federal Match Rate Change	
\$1.0M FY 10-11	PACE - planning additional programs (NR)	\$1.9M FY 07-08	Rec
\$5.5M FY 08-09	2,300 statewide HCBS slots (Rec)		
\$0.9M FY 08-09	Electronic visit verification (Rec)	Weight Watchers	
\$0.8M FY 08-09	Rate equalization between statewide waiver and OPTIONS (Rec)	\$0.3M FY 07-08	Expansion of enrollment from obese to overweight (Rec)
\$2.3M FY 06-07	PACE 4.17% per diem rate increase, 279 statewide HCBS slots (Rec)		
Provider Rates		Medically Needy Program	
\$0.5M FY 08-09	Pediatric office visit rate increases for TennCare Select (Rec)	\$20.0M FY 06-07	To open enrollment and allow less restrictive eligibility criteria (Rec)
\$16.7M FY 06-07	2.5% increase for MCO and BHO providers (Rec)		
Long Term Care Reimbursement		Governor's Office of Children's Care Coordination	
\$11.8M FY 06-07	1% increase (Rec)	\$1.4M FY 06-07	Infant Mortality Initiative (Rec)
		\$5.0M FY 06-07	Women's Health for Underserved Areas Initiative (NR = \$2M)
Private ICF/MR Expenditure Growth		Human Services	
\$7.3M FY 06-07	Rec	\$1.3M FY 08-09	Rec
		\$1.0M FY 07-08	NR: Memphis Service Center - Family Assistance Services
Appeals and Administrative Procedures		\$1.0M FY 06-07	NR: Memphis Service Center - Family Assistance Services
\$0.8M FY 06-07	Rec	\$0.6M FY 05-06	Rec
Intellectual Disabilities/Mental Retardation Services		Children's Services	
\$4.0M FY 10-11	Maintain Residential Provider Rates (NR)	\$2.5M FY 07-08	Rec
\$5.3M FY 08-09	Rec	\$2.5M FY 06-07	Rec
\$20.4M FY 07-08	NR = \$8.8M	\$2.0M FY 05-06	Rec
\$24.1M FY 06-07	NR		
\$14.7M FY 05-06	Rec	Grier Settlement - 97,000 retained	
		\$104.2M FY 05-06	NR = \$75M
		Human Services Disenrollment Costs	
		\$17.7M FY 05-06	NR

PERFORMANCE MEASURES	05-06 (Act)	06-07 (Act)	07-08 (Act)	08-09 (Act)	09-10(Act)	14-15 Goal
Number of clients in Home and Community Based Services programs for the elderly & disabled	1,275	2,975	3,700	5,100	7,500	13,500
Number of clients in Home and Community Based Services programs for people with intellectual disabilities	7,200	7,250	7,250	7,520	7,550	7,821
Percentage of expenditures for HCBS programs for the elderly vs. expenditures for institutional care	x	x	x	40%	41%	56%
Number of eligible managed care organizations that meet and maintain the accreditation standards established by the NCQA	0	0	3	3	4	4
Number of MCOs demonstrating significant improvement in one or more quality indicators	x	2	3	3	4	4
Number of audit findings taken by federal auditors	x	x	x	N/A	0	0
Number of repeat audit findings taken by state auditors	x	x	x	0	0	0

FUND BALANCES	06/30/06	06/30/07	06/30/08	06/30/09	06/30/10
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Carryforward-Unencumbered Balance

Essential Access Hospital Payments	\$50.0M	-	-	-	-
AccessTN Reserve	\$25.0M	-	-	-	-
Unresolved Federal Disputes	\$52.0M	-	-	-	-
Universal Settlement	\$20.0M	-	-	-	-
General Carryforward Language	\$383.0M	\$550.2M	\$474.3M	\$433.7M	\$442.0M
DME for Safety Net Hospitals	-	\$5.0M	\$5.0M	-	-
Level I & II Nursing Home Minimum Wage Increase	-	\$8.5M	-	-	-
Transfer to Cover TN	-	\$5.0M	-	-	-
Payment to High Charity Care Hospitals	-	\$30.0M	\$30.0M	\$30.0M	-
Mental Health Infrastructure	-	-	\$11.0M	\$6.3M	\$1.8M
Mental Retardation/DIDS-Info. Sys. Dev.	-	-	\$10.1M	\$10.1M	\$10.1M
Health-Primary Care Safety Net Grants	-	-	\$6.0M	\$6.0M	\$6.0M
Nursing Home Diversification Grants	-	-	\$5.0M	-	-
Mental Health-State Only Judicial Commitments	-	-	\$35.0M	-	-
Ambulance Drivers	-	-	-	\$2.3M	-
Big Four Emergency Services	-	-	-	\$0.8M	-
Health Department Grants	-	-	-	\$68.6M	-
GOCC - Women's Health - Underserved Areas	-	-	-	\$2.0M	\$2.0M
GOCC - General Carryforward	-	-	-	\$1.2M	\$2.4M