TENNESSEE DEPARTMENT OF FINANCE AND ADMINISTRATION - 0620
BUREAU OF TENNCARE

There will be a hearing before the Commissioner to consider the promulgation of amendments of rules pursuant to Tennessee Code Annotated, 71-5-105 and 71-5-109. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act Tennessee Code Annotated, Section 4-5-204 and will take place in the Bureau of TennCare, 1st Floor East Conference Room, 310 Great Circle Road, Nashville, Tennessee 37243 at 9:00 a.m. C.D.T. on the 18th day July 2006.

Any individuals with disabilities who wish to participate in these proceedings (to review these filings) should contact the Department of Finance and Administration, Bureau of TennCare, to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be made no less than ten (10) days prior to the scheduled meeting date (the date the party intends to review such filings) to allow time for the Bureau of TennCare to determine how it may reasonably provide such aid or service. Initial contact may be made with the Bureau of TennCare's ADA Coordinator by mail at the Bureau of -TennCare, 310 Great Circle Road, Nashville, Tennessee 37243 or by telephone at (615) 507-6474 or 1-800-342-3145.

For a copy of this notice of rulemaking hearing, contact George Woods at the Bureau of TennCare, 310 Great Circle Road, Nashville, Tennessee 37243 or call (615) 507-6446.

SUBSTANCE OF PROPOSED RULES

CHAPTER 1200-13-13
TENNCARE MEDICAID

Subparagraph (a) of paragraph (1) of rule 1200-13-14-.04 Covered Services is deleted in its entirety and replaced with a new subparagraph (a) which shall read as follows:

(a) TennCare managed care contractors (MCCs) shall cover the following services and benefits subject to any applicable limitations described herein.

1. Any and all medically necessary services may require prior authorization or approval by the MCC, except where prohibited by law.

   There are two instances in which an MCC may not refuse to pay for a service solely because of a lack of prior authorization. These instances are as follows:

   (i) Preventive, diagnostic, and treatment services for persons under age 21. MCCs shall provide all medically necessary, covered services regardless of whether the need for such services was identified by a provider whose services had received prior authorization from the MCC or by an in-network provider.

   (ii) Emergency services. MCCs shall not require prior authorization or approval for covered services rendered in the event of an emergency, as defined in these rules. Such emergency services may be reviewed on the basis of medical necessity or other MCC administrator requirements, but cannot be denied solely because the provider did not obtain prior authorization or approval from the enrollee's MCC.

2. MCCs shall not impose any service limitations that are more restrictive than those described herein; however, this shall not limit the MCC's ability to establish procedures for the determination of medical necessity.

3. Services for which there is no federal financial participation (FFP) are not covered.

4. Non-covered services are non-covered regardless of medical necessity.

Paragraph (2) of rule 1200-13-14-.04 Covered Services is deleted in its entirety and replaced with a new paragraph (2) which shall read as follows:

(2) Use of Cost Effective Alternative Services.

MCCs shall be allowed, but are not required, to use cost effective alternative services if and only if (a) these services are listed in the MCC contract and/or in TSOP 032 and (b) they are medically appropriate and cost effective. Use of approved cost effective alternative services is made at the sole discretion of the MCC.

Paragraph (3) of rule 1200-13-14-.04 Covered Services is deleted in its entirety and replaced with a new paragraph (3) which shall read as follows:

(3) Maximum Lifetime Limitations.

The following maximum lifetime limitations shall apply to the services outlined in paragraph (1) and (2) above. The managed care contractors shall not impose service limitations that are more restrictive than those described herein but benefits may be provided in excess of these amounts at the managed care contractor's discretion. The dollar amounts applied to the limitations shall be based only upon the managed care contractor's payments for those services delivered on and after the enrollee's 21st birthday and shall exclude payments made by the enrollee in the form of premiums and co-payments. Children under age 21 are exempt from benefit limitations on medically necessary covered services.

Detoxification	Ten (10) days per lifetime.
Substance abuse benefits (Inpatient and outpatient)	$30,000

Paragraph (4) of rule 1200-13-14-.04 Covered Services is deleted in its entirety and replaced with a new paragraph (4) which shall read as follows:

(4) Emergency Medical Services.

Emergency medical services shall be available twenty-four (24) hours per day, seven (7) days per week. Coverage of emergency medical services shall not be subject to prior authorization by the MCC but may include a requirement that notice be given to the MCC of use of out-of-plan emergency services. However, such requirements shall provide at least a twenty-four (24) hour time frame after the emergency for notice to be given to the MCC.

Paragraph (5) of rule 1200-13-14-.04 Covered Services is deleted in its entirety and subsequent paragraphs renumbered accordingly.

Paragraph (6) of rule 1200-13-14-.04 Covered Services renumbered as (5) "Screening, Diagnosis and Treatment Services (EPSDT) for individuals Under twenty-one (21)" title is changed to "Preventive, Diagnostic and Treatment Services for Individuals Under twenty-one (21)" so as amended renumbered paragraph (5) title shall read as follows: The content of the paragraph remains the same.

(5) Preventive, Diagnostic and Treatment Services for Individual under twenty-one (21).

Paragraphs (7), (8) and (9) of rule 1200-13-14-.04 Covered Services are deleted in their entirety and subsequent paragraphs are renumbered accordingly.

Paragraph (10) renumbered as (6) of rule 1200-13-14-.04 Covered Services title "Preventive Medical Services as of January 1, 2003" is changed to "Preventive Medical Services" so as amended the re-numbered paragraph (6) title shall read as follows: The content of the paragraph remains the same.

(6) Preventive Medical Services.

Paragraph (10) renumbered as paragraph (6) of rule 1200-13-14-.04 Covered Services is amended by adding subparagraph (f) which shall read as follows:

(f) Mental health case management services

T1016 and H0004	Mental health case management

Paragraphs (11) and (12) of rule 1200-13-14-.04 Covered Services is deleted in their entirety and subsequent paragraph renumbered accordingly.

Paragraph (13) renumbered as (7) of rule 1200-13-14-.04 Covered Services title "Hospital Discharges as of January 1, 2003" is changed to "Hospital Discharges" so as amended the renumbered paragraph (7) title shall read as follows: The content of the paragraph remains the same.

(7) Hospital Discharges.

Authority: *T.C.A. §§ 4-5-202, 4-5-203, 71-5-105, 71-5-109; Executive Order No. 23.*

The notice of rulemaking set out herein was properly filed in the Department of State on the 25th day of May, 2006. (05-25)