



MEMO

TO: TennCare Managed Care Organizations

FROM: Keith Gaither

DATE: November 15, 2017

SUBJECT: Budget Reduction – 1% Buyback

This memo serves to update the official notice of programmatic changes to be made by the MCOs as a result of the state fiscal year 2018 approved budget.

The 2018 budget approved the buyback of the 1% budget reduction that occurred in state fiscal year 2015. The buyback is to be effective beginning July 1, 2017. The provider types that are affected by this 1% buyback are as follows:

- All pathology, lab, and radiological services. This includes all professional, inpatient and outpatient pathology, lab, and radiological services
- All emergency and non-emergency transportation. Defined as HCPCS Codes A0000 – A0999
- All home health services except respite and hospice
- All outpatient and professional behavioral health services
- DME and Medical Supplies
- Home and Community Based Services (HCBS), Excluding Consumer Direction Services

For clarification where codes have been provided, please refer back to the Budget Memo dated June 27, 2017, including any CMS updates to the affected codes that may have been issued.