STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation	Condition or Requirement
	A. General Conditions of Eligibility
	Each individual covered under the plan:
42 CFR Part 435, Subpart G	1. Is financially eligible (using the methods and standards described in Parts B and C of this Attachment) to receive services.
42 CFR Part 435, Subpart F	2. Meets the applicable non-financial eligibility conditions.
	a. For the categorically needy:
	(i) Except as specified under items A.2.a.(ii) and (iii) below, for AFDC-related individuals, meets the non-financial eligibility conditions of the AFDC program.
	(ii) For SSI-related individuals, meets the non-financial criteria of the SSI program or more restrictive SSI-related categorically needy criteria.
1902(l) of the Act	(iii) For financially eligible pregnant women, infants or children covered under sections 1902(a)(10)(A)(i)(IV), 1902(a)(10)(A)(i)(VI), and 1902(a)(10)(A)(ii)(IX) of the Act, meets the non-financial criteria of section 1902(l) of the Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation	Condition or Requirement
1902(m) of the Act	(iv) For financially eligible aged and disabled individuals covered under section 1902(a)(10)(A)(ii)(X) of the Act, meets the non-financial criteria of section 1902(m) of the Act.

State Tennessee

Citation		Condition or Requirement
		b. For the medically needy, meets the non-financial eligibility conditions of 42 CFR Part 435.
1905 (p) of the Act		c. For financially eligible qualified Medicare beneficiaries covered under section 1902(a)(10)(E)(i) of the Act, meets the non-financial criteria of section 1905(p) of the Act.
1905(s) of the Act		d. For Financially eligible qualified disabled and working individuals covered under section 1902(a)(10)(E)(ii) of the Act, meets the non-financial criteria of section 1905(s)
42 CFR 435.406	3.	Is residing in the United States and-
		a. Is a citizen:
		b. Is a qualified alien, as identified in section 431(b) of P.L. 104-193, whose coverage is mandatory under sections 402 and 403 of P.L. 104-193, including those who entered the U.S. prior to August 22, 1996, and those who entered on or after August 22, 1996.
		X Is a qualified alien, as defined in section 431(b) of P.L. 104-193, whose coverage is optional under section 402 and 403 of P.L. 104-193, including those who entered the U.S. prior to August 22, 1996, and those who entered on or after August 22, 1996.
		c. Is an alien who is not a qualified alien as defined in section 431 (b) of P.L. 104-193, or who is a qualified alien but is not eligible under the provision of (b) above. (Coverage is restricted to certain emergency services.)

GW/D1018084

State Tennessee

Citation	Condition or Requirement
42 CFR 435.403 1902(b) of the Act.	4. Is a resident of the State, regardless of whether or not the individual maintains the residence permanently or maintains it at a fixed address.

/X/ State has interstate residency agreement with the following States:

Alabama	Kansas	Minnesota	North Dakota	Texas
Arkansas	Kentucky	Mississippi	Ohio	West Viriginia
California	Louisiana	New Jersey	Pennsylvania	Wisconsin
Florida	Maine	New Mexico	South Dakota	
Georgia	Maryland			
Idaho				
Iowa				

/ / State has open agreement(s).

/ / Not applicable; no residency requirement.

D1018084

State/Territory: Tennessee

Citation	Condition or Requirement
42 CFR 435.1008	5. a. Is not an inmate of a public institution. Public institutions do not include medical institutions, intermediate care facilities, or publicly operated community residences that serve no more than 16 residents, or certain child care institutions.
42 CFR 435.1008 1905(a) of the Act	b. Is not a patient under age 65 in an institution for mental diseases except as an inpatient under age 22 receiving active treatment in an accredited psychiatric facility or program. /_/ Not applicable with respect to individuals under age 22 in psychiatric facilities or programs. Such services are not provided under the plan.
42 CFR 433.145 1912 of the Act	6. Is required, as a condition of eligibility, to assign his or her own rights, or the rights of any other person who is eligible for Medicaid and on whose behalf the individual has legal authority to execute an assignment, to medical support and payments for medical care from any third party. (Medical support is defined as support specified as being for medical care by a court or administrative order.)

Citation	Condition or Requirement
	An applicant or recipient must also cooperate in establishing the paternity of any eligible child and in obtaining medical support and payments for himself or herself and any other person who is eligible for Medicaid and on whose behalf the individual can make an assignment; except that individuals described in §1902(l)(1)(A) of the Social Security Act (pregnant women and women in the post-partum period) are exempt from these requirements involving paternity and obtaining support. Any individual may be exempt from the cooperation requirements by demonstrating good cause for refusing to cooperate.
	An applicant or recipient must also cooperate in identifying any third party who may be liable to pay for care that is covered under the State plan and providing information to assist in pursuing these third parties. Any individual may be exempt from the cooperation requirements by demonstrating good cause for refusing to cooperate.
	/X/ Assignment of rights is automatic because of State law.
42 CFR 435.910	7. Is required, as a condition of eligibility, to furnish his/her social security account number (or numbers, if he/she has more than one number).

Citation	Condition or Requirement
1902(c)(2)	8. Is not required to apply for AFDC benefits under title IV-A as a condition of applying for, or receiving, Medicaid if the individual is a pregnant woman, infant, or child that the State elects to cover under sections 1902(a)(10)(A)(i)(IV) and 1902(a)(10)(A)(ii)(IX) of the Act.
1902(e)(10)(A) and (B) of the Act	9. Is not required, as an individual child or pregnant woman, to meet requirements under section 402(a)(43) of the Act to be in certain living arrangements. (Prior to terminating AFDC individuals who do not meet such requirements under a State's AFDC plan, the agency determines if they are otherwise eligible under the State's Medicaid plan.)

Citation	Condition or Requirement
1906 of the Act	10. Is required to apply for enrollment in an employer based cost-effective group health plan, if such pla is available to the individual. Enrollment is condition of eligibility except for the individua who is unable to enroll on his/her own behal (failure of a parent to enroll a child does no affect a child's eligibility).

Citation	Condition or Requirement
	B. Posteligibility Treatment of Institutionalized Individuals' Incomes
	1. The following items are not considered in the posteligibility process:
1902(o) of the Act	a. SSI and SSP benefits paid under §1611(e)(1)(E) and (G) of the Act to individuals who receive care in a hospital, nursing home, SNF, or ICF.
Bondi v Sullivan (SSI)	b. Austrian Reparation Payments (pension (reparation) payments made under §500 - 506 of the Austrian General Social Insurance Act). Applies only if State follows SSI program rules with respect to the payments.
1902(r)(1) of the Act	c. German Reparations Payments (reparation payments made by the Federal Republic of Germany).
105/206 of P. L. 100-383	d. Japanese and Aleutian Restitution Payments.
1. (a) of P.L. 103-286	e. Netherlands Reparation Payments based on Nazi, but not Japanese, persecution (during World War II).
10405 of P.L. 101-239	f. Payments from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
6(h)(2) of P.L. 101-426	g. Radiation Exposure Compensation.
12005 of P. L. 103-66	h. VA pensions limited to $90 per month under 38 U.S.C. 5503.

State: Tennessee

Citation		Condition or Requirement
1924 of the Act 435.725 435.733 435.832	2.	The following monthly amounts for personal needs are deducted from total monthly income in the application of an institutionalized individual's or couple's income to the cost of institutionalized care: Personal Needs Allowance (PNA) of not less than $40 For Individuals and $60 For Couples For All Institutionalized Persons. a. Aged, blind, disabled: Individuals $ 40 Couples $ 60 For the following persons with greater need: Supplement 13 to Attachment 2.6-A describes the greater need; describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met. b. AFDC related: Children $ 40 Adults $ 40 For the following persons with greater need: Supplement 13 to Attachment 2.6-A describes the greater need; describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met. c. Individual under age 21 covered in the plan as specified in Item B.7. of Attachment 2.2-A. $ 40

State Tennessee

Citation	Condition or Requirement
	For the following persons with greater need: Supplement 13 to Attachment 2.6-A describes the greater need; describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met. d. Individuals in home and community based waivers (i) HCBS for elderly and disabled (ADAPT) 200% of SSI-FBR for an individual (ii) HCBS for elderly and disabled (Shelby County) 200% of SSI-FBR for an individual (iii) HCBS Waiver for the mentally retarded 200% of SSI-FBR for an individual
1924 of the Act	3. In addition to the amounts under item 2., the following monthly amounts are deducted from the remaining income of an institutionalized individual with a community spouse. a. The monthly income allowance for the community spouse, calculated using the formula in §1924(d)(2), is the amount by which the maintenance needs standard exceeds the community spouse's income. The maintenance needs standard cannot exceed the maximum prescribed in §1924(d)(3)(C). The maintenance needs standard consists of a poverty level component plus an excess shelter allowance. _X_ The poverty level component is calculated using the applicable percentage (set out §1924(d)(3)(B) of the Act) of the official poverty level. _____ The poverty level component is calculated using a percentage greater than the applicable precentage, equal to _____%, of the official poverty level (still subject to maximum maintenance needs standard). _____ The maintenance needs standard for all community spouses is set at the maximum permitted by §1924(d)(3)(C). Except that, when applicable, the State will set the community spouse's monthly income allowance at the amount by which exceptional maintenance needs, established at a fair hearing, exceed the community spouse's income, or at the amount of any court-ordered support.

GW/D1038063

Citation	Condition or Requirement

In determining any excess shelter allowance, utility expenses are calculated using:

__X__ the standard utility allowance under §5(e) of the Food Stamp Act of 1977; or

____ the actual unreimbursable amount of the community spouse's utility expenses less any portion of such amount included in condominium or cooperative charges.

b. The monthly income allowance for other dependent family members living with the community spouse is:

__X__ one-third of the amount by which the poverty level component (calculated under §1924(d)(3)(A)(i) of the Act, using the applicable percentage specified in §1924 (d)(3)(B)) exceeds the dependent family member's monthly income.

____ a greater amounted calculated as follows:

The following definition is used in lieu of the definition provided by the Secretary to determine the dependency of family members under §1924 (d)(1):

c. Amounts for health care expenses described below that are incurred by and for the institutionalized individual and are not subject to payments by a third party:

(i) Medicaid, Medicare, and other health insurance premiums, deductibles, or coinsurance charges, or copayments.

(ii) Necessary medical or remedial care recognized under State law but not covered under the State plan. (Reasonable limits on amounts are described in Supplement 3 to ATTACHMENT 2.6-A.)

Citation	Condition or Requirement
435.725 435.733 435.832	4. In addition to any amounts deductible under the items above, the following monthly amounts are deducted from the remaining monthly income of an institutionalized individual or an institutionalized couple:

a. An amount for the maintenance needs of each member of a family living in the institutionalized individual's home with no community spouse living in the home. The amount must be based on a reasonable assessment of need but must not exceed the higher of the:

o AFDC level; or
o Medically needy level:

(Check one)

-- AFDC levels in Supplement 1
X Medically needy level in Supplement 1
-- Other: $_____

b. Amounts for health care expenses described below that have not been deducted under 3.c. above (i.e., for an institutionalized individual with a community spouse), are incurred by and for the institutionalized individual or institutionalized couple, and are not subject to the payment by a third party:

(I) Medicaid, Medicare, and other health insurance premiums, deductibles, or coinsurance charges, or copayments.

(ii) Necessary medical or remedial care recognized under State law but not covered under the State plan. (Reasonable limits on amount are described in Supplement 3 to ATTACHMENT 2.6-A.)

435.725 435.733 435.832	5. At the option of the State, as specified below, the following is deducted from any remaining monthly income of an institutionalized individual or an institutionalized couple:

A monthly amount for the maintenance of the home of the individual or couple for not longer than 6 months if a physician has certified that the individual, or one member of the institutionalized couple, is likely to return to the home within that period:

X No.

____ Yes (the applicable amount is shown on page 5a.)

Citation	Condition or Requirement
	_____ Amount for maintenance of home is: $_____.
	_____ Amount for maintenance of home is the actual maintenance costs not to exceed $_____.
	_____ Amount for maintenance of home is deductible when countable income is determined under §1924(d)(1) of the Act only if the individuals' home and the community spouse's home are different.
	_____ Amount for maintenance of home is not deductible when countable income is determined under §1924 (d)(1) of the Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
42 CFR 435.711 435.721, 435.831	C. Financial Eligibility For individuals who are AFDC or SSI recipients, the income and resource levels and methods for determining countable income and resources of the AFDC and SSI program apply, unless the plan provides for more restrictive levels and methods than SSI for SSI recipients under section 1902(f) of the Act, or more liberal methods under section 1902(r)(2) of the Act, as specified below. For individuals who are not AFDC or SSI recipients in a non-section 1902(f) State and those who are deemed to be cash assistance recipients, the financial eligibility requirements specified in this section C apply. Supplement 1 to ATTACHMENT 2.6-A specifies the income levels for mandatory and optional categorically needy groups of individuals, including individuals with incomes related to the Federal income poverty level--pregnant women and infants or children covered under sections 1902(a)(10)(A)(i)(IV), 1902(a)(10)(A)(i)(VI), 1902(a)(10)(A)(i)(VII), and 1902(a)(10)(A)(ii)(IX) of the Act and aged and disabled individuals covered under section 1902(a)(10)(A)(ii)(X) of the Act--and for mandatory groups of qualified Medicare beneficiaries covered under section 1902(a)(10)(E)(i) of the Act.

Citation | Condition or Requirement

/X/ Supplement 2 to ATTACHMENT 2.6-A specifies the resource levels for mandatory and optional categorically needy poverty level related groups, and for medically needy groups.

/ / Supplement 7 to ATTACHMENT 2.6-A specifies the income levels for categorically needy aged, blind and disabled persons who are covered under requirements more restrictive than SSI.

/ / Supplement 4 to ATTACHMENT 2.6-A specifies the methods for determining income eligibility used by States that have more restrictive methods than SSI, permitted under section 1902(f) of the Act.

/ / Supplement 5 to ATTACHMENT 2.6-A specifies the methods for determining resource eligibility used by States that have more restrictive methods than SSI, permitted under section 1902(f) of the Act.

/X/ Supplement 8a to ATTACHMENT 2.6-A specifies the methods for determining income eligibility used by States that are more liberal than the methods of the cash assistance programs, permitted under section 1902(r)(2) of the Act.

/X/ Supplement 8b to ATTACHMENT 2.6-A specifies the methods for determining resource eligibility used by States that are more liberal than the methods of the cash assistance programs, permitted under section 1902(r)(2) of the Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1902(r)(2) of the Act	1. Methods of Determining Income a. AFDC-related individuals (except for poverty level related pregnant women, infants, and children). (1) In determining countable income for AFDC-related individuals, the following methods are used: X (a) The methods under the State's approved AFDC plan only; or ___ (b) The methods under the State's approved AFDC plan and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A. (2) In determining relative financial responsibility, the agency considers only the income of spouses living in the same household as available to spouses and the income of parents as available to children living with parents until the children become 21.
1902(e)(6) the Act	(3) Agency continues to treat women eligible under the provisions of sections 1902(a)(10) of the Act as eligible, without regard to any changes in income of the family of which she is a member, for the 60-day period after her pregnancy ends and any remaining days in the month in which the 60th day falls.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
42 CFR 435.721 435.831, and 1902(m)(1)(B)(m)(4) and 1902(r)(2) of the Act	b. Aged individuals. In determining countable income for aged individuals, including aged individuals with incomes up to the Federal poverty level described in section 1902(m)(1) of the Act, the following methods are used: ___ The methods of the SSI program only. _X_ The methods of the SSI program and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

Citation | Condition or Requirement

/_/ For individuals other than optional State supplement recipients, more restrictive methods than SSI, applied under the provisions of section 1902(f) of the Act, as specified in Supplement 4 to ATTACHMENT 2.6-A; and any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

/X/ For institutional couples, the methods specified under section 1611(e)(5) of the Act.

/_/ For optional State supplement recipients under 435.230, income methods more liberal than SSI, as specified in Supplement 4 to ATTACHMENT 2.6-A.

/_/ For optional State supplement recipients in section 1902(f) States and SSI criteria States without section 1616 or 1634 agreements--(SSA administered OSS)

____ SSI methods only.

____ SSI methods and/or any more liberal methods than SSI described in Supplement 8a to ATTACHMENT 2.6-A.

____ Methods more restrictive and/or more liberal than SSI. More restrictive methods are described in Supplement 4 to ATTACHMENT 2.6-A and more liberal methods are described in Supplement 8a to ATTACHMENT 2.6-A.

In determining relative financial responsibility, the agency considers only the income of spouses living in the same household as available to spouses.

Citation	Condition or Requirement
42 CFR 435.721 and 435.831 1902(m)(1)(B), (m)(4), and 1902(r)(2) of the Act	c. Blind individuals. In determining countable income for blind individuals, the following methods are used:

____ The methods of the SSI program only.

__X__ SSI methods and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

____ For individuals other than optional State supplement recipients, more restrictive methods than SSI, applied under the provisions of section 1902(f) of the Act, as specified in Supplement 4 to ATTACHMENT 2.6-A, and any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

__X__ For institutional couples, the methods specified under section 1611(e)(5) of the Act.

____ For optional State supplement recipients under 435.230, income methods more liberal than SSI, as specified in Supplement 4 to ATTACHMENT 2.6-A.

____ For optional State supplement recipients in section 1902(f) States and SSI criteria States without section 1616 or 1634 agreements--

____ SSI methods only.

____ SSI methods and/or any more liberal methods than SSI described in Supplement 8a to ATTACHMENT 2.6-A.

Methods more restrictive and/ or more liberal than SSI. More restrictive methods are described in Supplement 4 to ATTACHMENT 2.6-A and more liberal methods are described in Supplement 8a to ATTACHMENT 2.6-A.

Citation	Condition or Requirement
	In determining relative responsibility, the agency considers only the income of spouses living in the same household as available to spouses and the income of parents as available to children living with parents until the children become 21.
42 CFR 435.721, and 435.831 1902(m)(1)(B), (m)(4), and 1902(r)(2) of the Act	d. Disabled individuals. In determining countable income of disabled individuals, including individuals with incomes up to the Federal poverty level described in section 1902(m) of the Act the following methods are used:

___The methods of the SSI program.

_X_ SSI methods and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

_X_ For institutional couples: the methods specified under section 1611(e)(5) of the Act.

___ For optional State supplement recipients under 435.230: income methods more liberal than SSI, as specified in Supplement 4 to ATTACHMENT 2.6-A.

___ For individuals other than optional State supplement recipients (except aged and disabled individuals described in section 1903(m)(1) of the Act): more restrictive methods than SSI, applied under the provisions of section 1902(f) of the Act, as specified in Supplement 4 to ATTACHMENT 2.6-A; and any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

Citation | Condition or Requirement

____ For optional State supplement recipients in section 1902(f) States and SSI criteria States without section 1616 or 1634 agreements--

____ SSI methods only.

____ SSI methods and/or any more liberal methods than SSI described in Supplement 8a to ATTACHMENT 2.6-A.

____ Methods more restrictive and/or more liberal than SSI, except for aged and disabled individuals described in section 1902(m)(1) of the Act. More restrictive methods are described in Supplement 4 to ATTACHMENT 2.6-A and more liberal methods are specified in Supplement 8a to ATTACHMENT 2.6-A.

In determining relative financial responsibility, the agency considers only the income of spouses living in the same household as available to spouses and the income of parents as available to children living with parents until the children become 21.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1902(l)(3)(E) and 1902(r)(2) of the Act	e. Poverty level pregnant women, infants, and children. For pregnant women and infants or children covered under the provisions of sections 1902(a)(10)(A)(i)(IV), (VI), and (VII), and 1902(a)(10)(A)(ii)(IX) of the Act-- (1) The following methods are used in determining countable income: ___ The methods of the State's approved AFDC plan. ___ The methods of the approved title IV-E plan. X The methods of the approved AFDC State plan and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A. X The methods of the approved title IV-E plan and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
	(2) In determining relative financial responsibility, the agency considers only the income of spouses living in the same household as available to spouses and the income of parents as available to children living with parents until the children become 21.
1902(e)(6) of the Act	(3) The agency continues to treat women eligible under the provisions of sections 1902(a)(10) of the Act as eligible, without regard to any changes in income of the family of which she is a member, for the 60-day period after her pregnancy ends and any remaining days in the month in which the 60th day falls.
1905(p)(1), 1902(m)(4), and 1902(r)(2) of the Act	f. Qualified Medicare beneficiaries. In determining countable income for qualified Medicare beneficiaries covered under section 1902(a)(10)(E)(i) of the Act, the following methods are used:
	___ The methods of the SSI program only.
	X SSI methods and/or any more liberal methods than SSI described in Supplement 8a to ATTACHMENT 2.6-A.
	X For institutional couples, the methods specified under section 1611(e)(5) of the Act.

Citation	Condition or Requirement
	If an individual receives a title II benefit, any amounts attributable to the most recent increase in the monthly insurance benefit as a result of a title II COLA is not counted as income during a "transition period" beginning with January, when the title II benefit for December is received, and ending with the last day of the month following the month of publication of the revised annual Federal poverty level. For individuals with title II income, the revised poverty levels are not effective until the first day of the month following the end of the transition period. For individuals not receiving title II income, the revised poverty levels are effective no later than the date of publication.
1905(s) of the Act	g. (1) <u>Qualified disabled and working individuals</u>. In determining countable income for qualified disabled and working individuals covered under 1902(a)(10)(E)(ii) of the Act, the methods of the SSI program are used.
1905(p) of the Act	(2) <u>Specified low-income Medicare beneficiaries</u>. In determining countable income for specified low-income Medicare beneficiaries covered under 1902(a)(10)(E)(iii) of the Act, the same method as in f. is used.

• U.S. G.P.O.:1993-342-239:80032

Citation	Condition or Requirement
1902(u) of the Act	h. COBRA Continuation Beneficiaries In determining countable income for COBRA continuatio beneficiaries, the following disregards are applied: _____ The disregards of the SSI program; _____ The agency uses methodologies for treatment o income more restrictive than the SSI program. Thes more restrictive methodologies are described i Supplement 4 to Attachment 2.6-A. NOTE: For COBRA continuation beneficiaries specified a 1902(u)(4), costs incurred from medical care or fo any other type of remedial care shall not be take into account in determining income, except a provided in section 1612(b)(4)(B)(ii).

Citation	Condition or Requirement
1902(k) of the Act	2. Medicaid Qualifying Trusts In the case of a Medicaid qualifying trust described in section 1902(k)(2) of the Act, the amount from the trust that is deemed available to the individual who established the trust (or whose spouse established the trust) is the maximum amount that the trustee(s) is permitted under the trust to distribute to the individual. This amount is deemed available to the individual, whether or not the distribution is actually made. This provision does not apply to any trust or initial trust decree established before April 7, 1986, solely for the benefit of a mentally retarded individual who resides in an intermediate care facility for the mentally retarded. /X/ The agency does not count the funds in a trust as described above in any instance where the State determines that it would work an undue hardship.
1902(a)(10) of the Act	3. Medically needy income levels (MNILs) are based on family size. Supplement 1 to ATTACHMENT 2.6-A specifies the MNILs for all covered medically needy groups. If the agency chooses more restrictive levels under section 1902(f) of the Act, Supplement 1 so indicates.

Citation	Condition or Requirement
42 CFR 435.732, 435.831	4. Handling of Excess Income - Spend-down for the Medically Needy in All States and the Categorically Needy in 1902(f) States Only

a. Medically Needy

(1) Income in excess of the MNIL is considered as available for payment of medical care and services. The Medicaid agency measures available income for periods of 1 month(s) (not to exceed 6 months) to determine the amount of excess countable income applicable to the cost of medical care and services.

(2) If countable income exceeds the MNIL standard, the agency deducts the following incurred expenses in the following order:

(a) Health insurance premiums, deductibles and coinsurance charges.

*(b) Expenses for necessary medical and remedial care not included in the plan.

(c) Expenses for necessary medical and remedial care included in the plan.

____ Reasonable limits on amounts of expenses deducted from income under a.(2)(a) and (b) above are listed below.

* For any medical expense authorized by State law.

1902(a)(17) of the Act

Incurred expenses that are subject to payment by a third party are not deducted unless the expenses are subject to payment by a third party that is a publicly funded program (other than Medicaid) of a State or local government.

Citation	Condition or Requirement
	a. Medically Needy (Continued)
1903(f)(2) of	_____ (3) If countable income exceeds the MNIL standard, the agency deducts spenddown payments made to the State by the individual.

Citation	Condition or Requirement
	b. Categorically Needy - Section 1902 (f) States
42 CFR 435.732	The agency applies the following policy under the provisions of section 1902(f) of the Act. The following amounts are deducted from income to determine the individual's countable income:
	(1) Any SSI benefit received.
	(2) Any State supplement received that is within the scope of an agreement described in sections 1616 or 1634 of the Act, or a State supplement within the scope of section 1902(a)(10)(A)(ii)(XI) of the Act.
	(3) Increases in OASDI that are deducted under 435.134 and 435.135 for individuals specified in that section, in the manner elected by the State under that section.
	(4) Other deductions from income described in this plan at Attachment 2.6-A, Supplement 4.
	(5) Incurred expenses for necessary medical and remedial services recognized under State law.
1902(a)(17) of the Act, P.L. 100-203	Incurred expenses that are subject to payment by a third party are not deducted unless the expenses are subject to payment by a third party that is a publicly funded program (other than Medicaid) of a State or local government.

Citation	Condition or Requirement
	4.b. Categorically Needy - Section 1902(f) States Continued
1903(f)(2) of	_____ (6) Spenddown payments made to the State by the individual.
	NOTE: FFP will be reduced to the extent a State is paid a spenddown payment by the individual.

Citation | Condition or Requirement

5. Methods for Determining Resources

a. AFDC-related individuals (except for poverty leve related pregnant women, infants, and children).

(1) In determining countable resources for AFDC-related individuals, the following methods ar used:

(a) The methods under the State's approved AFD plan; and

___(b) The methods under the State's approved AFD plan and/or any more liberal methods describe in Supplement 8b to ATTACHMENT 2.6-A.

(2) In determining relative financial responsibility the agency considers only the resources of spouse living in the same household as available t spouses and the resources of parents as availabl to children living with parents until the childre become 21.

Citation	Condition or Requirement
	5. Methods for Determining Resources
1902(a)(10)(A), 1902(a)(10)(C), 1902(m)(1)(B) and (C), and 1902(r) of the Act	b. Aged individuals. For aged individuals, including individuals covered under section 1902(a)(10)(A)(ii)(X) of the Act, the agency used the following methods for treatment of resources:
	____ The methods of the SSI program.
	X SSI methods and/or any more liberal methods described in Supplement 8b to ATTACHMENT 2.6-A.
	____ Methods that are more restrictive (except for individuals described in section 1902(m)(1) of the Act) and/or more liberal than those of the SSI program. Supplement 5 to ATTACHMENT 2.6-A describes the more restrictive methods and Supplement 8b to ATTACHMENT 2.6-A specifies the more liberal methods.

Citation	Condition or Requirement
	In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses.
1902(a)(10)(A), 1902(a)(10)(C), 1902(m)(1)(B), and 1902(r) of the Act	c. Blind individuals. For blind individuals the agency uses the following methods for treatment of resources: ____ The methods of the SSI program. X___ SSI methods and/or any more liberal methods described in Supplement 8b to ATTACHMENT 2.6-A. ____ Methods that are more restrictive and/or more liberal than those of the SSI program Supplement 5 to ATTACHMENT 2.6-A describe the more restrictive methods and Supplement 8b to ATTACHMENT 2.6-A specify the more liberal methods In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

Citation	Condition or Requirement
1902(a)(10)(A), 1902(a)(10)(C), 1902(m)(1)(B) and (C), and 1902(r)(2) of the Act	d. Disabled individuals, including individuals covered under section 1902(a)(10)(A)(ii)(X) of the Act. The agency uses the following methods for the treatment of resources: ____ The methods of the SSI program. _X_ SSI methods and/or any more liberal methods described in Supplement 8a to ATTACHMENT 2.6-A. ____ Methods that are more restrictive (except for individuals described in section 1902(m)(1) of the Act) and/or more liberal that those under the SSI program. More restrictive methods are described in Supplement 5 to ATTACHMENT 2.6-A and more liberal methods are specified in Supplement 8b to ATTACHMENT 2.6-A. In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.
1902(l)(3) and 1902(r)(2) of the Act	e. Poverty level pregnant women covered under sections 1902(a)(10)(A)(i)(IV) and 1902(a)(10)(A)(ii)(IX)(A) of the Act. The agency uses the following methods in the treatment of resources. ____ The methods of the SSI program only. ____ The methods of the SSI program and/or any more liberal methods described in Supplement 5a or Supplement 8b to ATTACHMENT 2.6-A.

Citation	Condition or Requirement
	____ Methods that are more liberal than those of SSI The more liberal methods are specified in Supplemen 5a or Supplement 8b to ATTACHMENT 2.6-A.
	X Not applicable. The agency does not conside resources in determining eligibility.
	In determining relative financial responsibility, th agency considers only the resources of spouses living i the same household as available to spouses and th resources of parents as available to children livin with parents until the children become 21.
1902(l)(3) and 1902(r)(2) of the Act	f. Poverty level infants covered under section 1902(a)(10)(A)(i)(IV) of the Act.
	The agency uses the following methods for the treatment of resources:
	____ The methods of the State's approved AFDC plan.
1902(l)(3)(C) of the Act	____ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as specified in Supplement 5a of ATTACHMENT 2.6-A.
1902(r)(2) of the Act	____ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 5a or Supplement 8b to ATTACHMENT 2.6-A.
	X Not applicable. The agency does not consider resources in determining eligibility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1902(1)(3) and 1902(r)(2) of the Act	g. 1. Poverty level children covered under section 1902(a)(10)(A)(i)(VI) of the Act. The agency uses the following methods for the treatment of resources: ___ The methods of the State's approved AFDC plan. ___ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), in accordance with section 1902(1)(3)(C) of the Act, as specified in Supplement 5a of ATTACHMENT 2.6-A.
1902(1)(3)(C) of the Act	
1902(r)(2) of the Act	___ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 8b to ATTACHMENT 2.6-A. X Not applicable. The agency does not consider resources in determining eligibility. In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1902(l)(3) and 1902(r)(2) of the Act	g. 2. Poverty level children under section 1902(a)(10)(A)(i)(VII)
	The agency uses the following methods for the treatment of resources:
	___ The methods of the State's approved AFDC plan.
1902(l)(3)(C) the Act	___ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive) as specified in Supplement 5a of ATTACHMENT 2.6-A.
1902(r)(2) of the Act	___ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 8a to ATTACHMENT 2.6-A.
	X Not applicable. The agency does not consider resources in determining eligibility.
	In determining relative responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

Citation	Condition or Requirement
1905(p)(1)(C) and (D) and 1902(r)(2) of the Act	5. h. For qualified Medicare beneficiaries covered under section 1902(a)(10)(E)(i) of the Act-- The agency used the following methods for treatment of resources:. . ____ The methods of the SSI program only. _X_ The methods of the SSI program and/or more liberal methods as described in Supplement 8b to ATTACHMENT 2.6-A.
1905(s) of the Act	i. For qualified disabled and working individuals covered under section 1902(a)(10)(E)(ii) of the Act, the agency uses SSI program methods for the treatment of resources.
1902(u) of the	j. For COBRA continuation beneficiaries, the agency uses the following methods for treatment of resources: ____ The methods of the SSI program only. ____ More restrictive methods applied under section 1902(f) of the Act as described in Supplement 5 to Attachment 2.6-A.

Citation	Condition or Requirement
1902(a)(10)(E)(iii) of the Act	k. Specified low-income Medicare beneficiaries covered under section 1902(a)(10)(E)(iii) of the Act-- The agency uses the same method as in 5.h. of Attachment 2.6-A. 6. Resource Standard - Categorically Needy a. 1902(f) States (except as specified under items 6.c. and d. below) for aged, blind and disabled individuals: ___ Same as SSI resource standards. ___ More restrictive. The resource standards for other individuals are the same as those in the related cash assistance program. b. Non-1902(f) States (except as specified under items 6.c. and d. below) The resource standards are the same as those in the related cash assistance program. Supplement 8 to ATTACHMENT 2.6-A specifies for 1902(f) States the categorically needy resource levels for all covered categorically needy groups.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1902(1)(3)(A), (B) and (C) of the Act	c. For pregnant women and infants covered under the provisions of section 1902(a)(10)(A)(i)(IV) and 1902(a)(10)(A)(ii)(IX) of the Act, the agency applies a resource standard. ___ Yes. Supplement 2 to ATTACHMENT 2.6-A specifies the standard which, for pregnant women, is no more restrictive than the standard under the SSI program; and for infants is no more restrictive than the standard applied in the State's approved AFDC plan. X No. The agency does not apply a resource standard to these individuals.
1902(1)(3)(A) and (C) of the Act	d. For children covered under the provisions of section 1902(a)(10)(A)(i)(VI) of the Act, the agency applies a resource standard. ___ Yes. Supplement 2 to ATTACHMENT 2.6-A specifies the standard which is no more restrictive than the standard applied in the State's approved AFDC plan. X No. The agency does not apply a resource standard to these individuals.

Citation	Condition or Requirement
1902(m)(1)(C) and (m)(2)(B) of the Act	e. For aged and disabled individuals described in section 1902(m)(1) of the Act who are covered under section 1902(a)(10)(A)(ii)(X) of the Act, the resource standard is: ____ Same as SSI resource standards. ____ Same as the medically needy resource standards, which are higher than the SSI resource standards (if the State covers the medically needy). Supplement 2 to ATTACHMENT 2.6-A specifies the resource levels for these individuals.

Citation	Condition or Requirement
	7. Resource Standard - Medically Needy
	a. Resource standards are based on family size.
1902(a)(10)(C)(i) of the Act	b. A single standard is employed in determining resource eligibility for all groups.
	___ c. In 1902(f) States, the resource standards are more restrictive than in 7.b. above for--
	___ Aged ___ Blind ___ Disabled
	Supplement 2 to ATTACHMENT 2.6-A specifies the resource standards for all covered medically needy groups. If the agency chooses more restrictive levels under 7.c., Supplement 2 so indicates.
1905(p)(1)(D) and (p)(2)(B) of the Act	8. Resource Standard - Qualified Medicare Beneficiaries and Specified Low-Income Medicare Beneficiaries
	For qualified Medicare beneficiaries covered under section 1902(a)(10)(E)(i) of the Act and specified low-income Medicare beneficiaries covered under section 1902(a)(10)(E)(iii) of the Act, the resource standard is twice the SSI standard.
1905(s) of the Act	9. Resource Standard - Qualified Disabled and Working Individuals
	For qualified disabled and working individuals covered under section 1902(a)(10)(E)(ii) of the Act, the resource standard for an individual or a couple (in the case of an individual with a spouse) is twice the SSI resource standard.

Citation	Condition or Requirement
1902(u) of the Act	9.1 For COBRA continuation beneficiaries, the resource standard is:

_____ Twice the SSI resource standard for an individual.

_____ More restrictive standard as applied under sectio 1902(f) of the Act as described in Supplement 8 t Attachment 2.6-A.

Citation	Condition or Requirement
1902(u) of the Act	10. Excess Resources a. Categorically Needy, Qualified Medicare Beneficiaries, Qualified Disabled and Working Individuals, and Specified Low-Income Medicare Beneficiaries Any excess resources make the individual ineligible. b. Categorically Needy Only X This State has a section 1634 agreement with SSI. Receipt of SSI is provided for individuals while disposing of excess resources. c. Medically Needy Any excess resources make the individual ineligible.

Citation	Condition or Requirement
42 CFR 435.914	11. Effective Date of Eligibility

a. Groups Other Than Qualified Medicare Beneficiaries

(1) For the prospective period.

Coverage is available for the full month if the following individuals are eligible at any time during the month.

X Aged, blind, disabled.
X AFDC-related.

Coverage is available only for the period during the month for which the following individuals meet the eligibility requirements.

___ Aged, blind, disabled.
___ AFDC-related.

(2) For the retroactive period.

Coverage is available for three months before the date of application if the following individuals would have been eligible had they applied:

X Aged, blind, disabled.
X AFDC-related.

Coverage is available beginning the first day of the third month before the date of application if the following individuals would have been eligible at any time during that month, had they applied..

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation(s)	Condition or Requirement
1920(b)(1) of the Act	X (3) For a presumptive eligibility for pregnant women only. Coverage is available for ambulatory prenatal care for the period that begins on the day a qualified provider determines that a woman meets any of the income eligibility levels specified in ATTACHMENT 2.6-A of this approved plan. If the woman files an application for Medicaid by the last day of the month following the month in which the qualified provider made the determination of presumptive eligibility, the period ends on the day that the State agency makes the determination of eligibility based on that application. If the woman does not file an application for Medicaid by the last day of the month following the month in which the qualified provider made the determination, the period ends on that last day.
1902(e)(8) and 1905(a) of the Act	___ b. For qualified Medicare beneficiaries defined in section 1905(p)(1) of the Act coverage is available beginning with the first day of the month after the month in which the individual is first determined to be a qualified Medicare beneficiary under section 1905(p)(1). The eligibility determination is valid for-- X 12 months ___ 6 months ___ ___ months (no less than 6 months and no more than 12 months)

Citation		Condition or Requirement
1902(a)(18) and 1902(f) of the Act	12.	Pre-OBRA 93 Transfer of Resources - Categorically and Medically Needy, Qualified Medicare Beneficiaries, and Qualified Disabled and Working Individuals The agency complies with the provisions of section 1917 of the Act with respect to the transfer of resources. Disposal of resources at less than fair market value affects eligibility for certain services as detailed in Supplement 9 to Attachment 2.6-A.
1917(c)	13.	Transfer of Assets – All eligibility groups The agency complies with the provisions of section 1917 (c) of the Act, as enacted by OBRA 93, with regard to the transfer of assets. Disposal of assets at less than fair market value affects eligibility for certain services as detailed in Supplement 9(a) to ATTACHMENT 2.6-A, except in instances where the agency determines that the transfer rules would work an undue hardship.
1917(d)	14.	Treatment of Trusts - All eligibility groups The agency complies with the provisions of section 1917 (d) of the Act, as amended by OBRA 93, with regard to trusts. ___ The agency uses more restrictive methodologies under section 1902(f) of the Act, and applies those methodologies in dealing with trusts; X The agency meets the requirements in section 1917(d)(4)(B) of the Act for use of Miller trusts.

State Tennessee

Citation	Condition or Requirement
1924 of the Act	15. The agency complies with the provisions of §1924 with respect to income and resource eligibility and posteligibility determinations for individuals who are expected to be institutionalized for at least 30 consecutive days and who have a spouse living in the community. When applying the formula used to determine the amount of resources in initial eligibility determinations, the State standard for community spouses is: X the maximum standard permitted by law; X the minimum standard permitted by law; or $ ____ a standard that is an amount between the minimum and the maximum. One-half of total resources not less than the minimum standard or greater than the maximum standard permitted by law.

GW/D4019091

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME ELIGIBILITY LEVELS

A. MANDATORY CATEGORICALLY NEEDY

1. AFDC-Related Groups Other Than Poverty Level Pregnant Women and Infants:

Family Size	Gross Income Need Standard	Consolidated Need Payment Standard	Maximum Payment Amounts
1	777	420	95
2	1110	600	142
3	1252	677	185
4	1289	697	226
5	1489	805	264
6	1507	815	305
7	1633	883	345
8	1655	895	386
9	1838	994	425
10	1875	1014	467
11	1929	1043	508
12	1977	1069	549
13	2020	1092	589
14	2055	1111	630
15	2083	1126	670
16	2109	1140	711
17	2131	1152	750
18	2149	1162	790
19	2162	1169	831
20	2173	1175	871

- Income in the amount of the difference between the AFDC standard(s) in effect on July 16, 1996 and the current TANF standard(s) applicable to the family involved is disregarded

NOTE: This will effectively raise the income eligibility standard used for a family to the level of the one which would be used under TANF, including any higher standard used for child-only cases, caretakers who are disabled over 60, and caretakers caring full-time for a disabled family member.

D1033059

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME ELIGIBILITY LEVELS (Continued)

2. Pregnant Women and Infants under Section 1902(a)(10)(A)(i)(IV) of the Act:

Effective April 1, 1990, based on the following percent of the official Federal income poverty Level--

____ 133 percent

X 185 percent (no more than 185 percent)
(specify)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

INCOME ELIGIBILITY LEVELS

A. MANDATORY CATEGORICALLY NEEDY (Continued)

3. For children under Section 1902(a)(10)(i)(VI) of the Act (children who have attained age 1 but have not attained age 6), the income eligibility level is 133 percent of the Federal poverty level (as revised annually in the Federal Register) for the size family involved.

4. For children under Section 1902(a)(10)(i)(VII) of the Act (children who were born after September 30, 1983 and have attained age 6 but have not attained age 19), the income eligibility level is 100 percent of the Federal poverty level (as revised annually in the Federal Register) for the size family involved.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME ELIGIBILITY LEVELS (Continued)

B. OPTIONAL CATEGORICALLY NEEDY GROUPS WITH INCOMES RELATED TO FEDERAL POVERTY LEVEL

1. Pregnant Women and Infants

The levels for determining income eligibility for optional groups of pregnant women and infants under the provisions of sections 1902(a)(10)(1)(A)(ii)(IX) and 1902(l)(2) of the Act are as follows:

Based on 185 percent of the official Federal income poverty level (more than 133 percent and no more than 185 percent).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME ELIGIBILITY LEVELS (Continued)

B. MANDATORY CATEGORICALLY NEEDY GROUPS WITH INCOMES RELATED TO FEDERAL POVERTY LEVEL

2. Children Under Age 19

The levels for determining income eligibility for groups of children who are born after September 30, 1983 and are under 19 years of age under the provisions of section 1902(l)(2) of the Act are as follows:

Based on 100 percent (no more than 100 percent) of the official Federal income poverty line.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

INCOME ELIGIBILITY LEVELS (Continued)

3. Aged and Disabled Individuals

The levels for determining income eligibility for groups of aged and disabled individuals under the provisions of section 1902(m)(4) of the Act are as follows:

Based on _____ percent of the official Federal income poverty line.

Family Size	Income Level
1	$_____
2	$_____
3	$_____
4	$_____
5	$_____

If an individual receives a title II benefit, any amount attributable to the most recent increase in the monthly insurance benefit as a resultofa title II COLA is not counted as income during a "transition period" beginning with January, when the title II benefit for December is received, and ending with the last day of the month following the month of publication of the revised annual Federal poverty level.

For individuals with title II income, the revised poverty levels are not effective until the first day of the month following the end of the transition period.

For individuals not receiving title II income, the revised poverty levels are effective no later than the beginning of the month following the date of publication.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME LEVELS (Continued)

D. MEDICALLY NEEDY

__X__ Applicable to all groups.

__X__ Applicable to all groups except those specified below. Excepted group income levels are also listed on an attached page 3.

(1)	(2)	(3)	(4)	(5)
Family Size	Net income level protected for maintenance _____ months	Amount by which Column (2) exceeds limits specified in 42 CFR 435.1007*	Net income level for persons living in rural areas for _____ months	Amount by which Column (4) exceeds limits specified in 42 CFR 435.1007*
☐ urban only				
☒ urban and rural				
1	$241	$	$	$
2	$258	$	$	$
3	$317	$	$	$
4	$325	$	$	$
For each additional person, add:	$	$	$	$

*The agency has methods for excluding from its claim for FFP payments made on behalf of individuals whose income exceeds these limits.

D4029270

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME LEVELS (Continued)

D. MEDICALLY NEEDY

(1)	(2)	(3)	(4)	(5)
Family Size	Net income level protected for maintenance for _____ months	Amount by which Column (2) exceeds limits specified in 42 CFR 435.1007*	Net income level for persons living in rural areas for _____ months	Amount by which Column (4) exceeds limits specified in 42 CFR 435.1007*
☐ urban only				
☒ urban and rural				
5	$392	$	$	$
6	$408	$	$	$
7	$467	$	$	$
8	$517	$	$	$
9	$567	$	$	$
10	$625	$	$	$
For each additional person, add:	Add $58 to Family Size of 10, 14, and 17 Add $59 to Family Size of 12 and 19 Add $50 to Family Size of 11, 13, 15, 16 and 18. $	$	$	$

*The agency has methods for excluding from its claim for FFP payments made on behalf of individuals whose income exceeds these limits.

D4019270

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME LEVELS (Continued)

E. Optional Groups Other Than the Medically Needy

1. Institutionalized Individuals Under Special Income Levels as follows:

Individual . . . 300% of the current SSI Federal Benefit Level.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

RESOURCE LEVELS

A. CATEGORICALLY NEEDY GROUPS WITH INCOMES RELATED TO FEDERAL POVERTY LEVEL

1. Pregnant Women

a. Mandatory Groups of Pregnant Women Under 1902(a)(10)(A)(i)(IV)

/_/ Same as SSI resources levels.

/X/ No Resource Limit

/_/ Less restrictive than SSI resource levels and is as follows:

Family Size	Resource Level
1	
2	

b. Optional Groups of Pregnant Women Under 1902(a)(10)(A)(ii)(IX) and 1902 (l)(2)

/_/ Same as SSI resources levels.

/X/ No Resource Limit.

/_/ Less restrictive than SSI resource levels and is as follows:

Family Size	Resource Level
1	
2	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

2. Infants

a. Mandatory Group of Infants Under 1902(a)(10)(A)(i)(IV)

/_/ Same as resource levels in the State's approved AFDC plan.

/X/No Resource Limit

/_/ Less restrictive than the AFDC levels and are as follows:

Family Size	Resource Level
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

b. Optional Group of Infants Under 1902 (a)(10)(A)(ii)(IX) and 1902 (l)(2)

/ / Same as resource levels in the State's approved AFDC plan.

/X/ No Resource Limit.

/ / Less restrictive than the AFDC levels and are as follows:

Family Size	Resource Level
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

3. Children

a. Mandatory Group of Children under Section 1902(a)(10)(i)(VI) of the Act. (Children who have attained age 1 but have not attained age 6.)

___ Same as resource levels in the State's approved AFDC plan.

X Less restrictive than the AFDC levels and are as follows:

Family Size	Resource Level
1	0
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

b. Mandatory Group of Children under Section 1902(a)(10)(i)(VII) of the Act. (Children born after September 30, 1983 who have attained age 6 but have not attained age 19.)

___ Same as resource levels in the State's approved AFDC plan.

X Less restrictive than the AFDC levels and are as follows:

Family Size	Resource Level
1	0
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

4. Aged and Disabled Individuals (Not Applicable)

/_/ Same as SSI resource levels.

/_/ More restrictive than SSI levels and are as follows:

Family Size	Resource Level
1	
2	
3	
4	
5	

/_/ Same as medically needy resource levels (applicable only if State has a medically needy program)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

RESOURCE LEVELS (Continued)

B. MEDICALLY NEEDY

Applicable to all groups -

/ / Except those specified below under the provisions of section 1902(f) of the Act.

Family Size	Resource Level
1	2,000
2	3,000
3	3,100
4	3,200
5	3,300
6	3,400
7	3,500
8	3,600
9	3,700
10	3,800
For each additional person	Add $100

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL
OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

Methodology Used for Deduction of Incurred Expenses for Necessary Medical or Remedial Care for Institutionalized Persons in the Post-Eligibility Application of Income.

The following deductions may be made from the total income available for the cost of long-term nursing home care:

Payments for the following types of medical or remedial care recognized under state law, but not encompassed within the State's Medicaid Plan, subject to the following criteria.

1. Eyeglasses and necessary related services. Deductions can only be made for the following services and must be the least of the provider's usual and customary charges, billed charges, or the Medicaid fee schedule.

   (i) Examination and refraction
   (ii) Frame
   (iii) Lenses (bifocal)
   (iv) Lenses (single)

2. Hearing aids and necessary related services. Deductions can only be made for the following services and must be the least of the provider's usual and customary charges, billed charges, or the Medicaid fee schedule.

   (i) Audiogram
   (ii) Ear mold
   (iii) Hearing aid
   (iv) Batteries
   (v) Hearing aid orientation

3. Dental services. Deductions can be made for routine and emergency dental services and in accordance with the Bureau of TennCare's dental fee listing, whether such services are provided at a dental office, on-site at the long term care facility, or through a mobile dental services provider that contracts with the long-term care facility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

4. Specialized chairs such as electric wheelchairs. Deductions will be restricted to the lesser of the Medicare prevailing charges or the Medicaid fee schedule.

5. Deductions for any other medical service recognized under State law but not covered by Medicaid will be made at the least of the provider's usual and customary charges, billed charges, or 80% of the Medicare fee schedule. Deductions will be allowed only for services that are determined by the state to be medically necessary for the particular individual on whose behalf the services are being requested.

Charges for nursing home days incurred as the result of bed-holds or therapeutic leave days that are in excess of the number of days covered under the Medicaid State Plan for the type of facility in question are not allowable deductions.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

METHODS FOR TREATMENT OF INCOME THAT DIFFER FROM THOSE OF THE SSI PROGRAM

(Section 1902(f) more restrictive methods and criteria and State supplement criteria in SSI criteria States without section 1634 agreements and in section 1902(f) States. Use to reflect more liberal methods only if you limit to State supplement recipients. DO NOT USE this supplement to reflect more liberal policies that you elect under the authority of section 1902(r)(2) of the Act. Use Supplement 8a for section 1902(r)(2) methods.)

(Not Applicable)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE RESTRICTIVE METHODS OF TREATING RESOURCES
THAN THOSE OF THE SSI PROGRAM - Section 1902(f) States only

(Not Applicable)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

METHODS FOR TREATMENT OF RESOURCES FOR INDIVIDUALS
WITH INCOMES RELATED TO FEDERAL POVERTY LEVELS

(Do not complete if you are electing more liberal methods under the authority of section 1902(r)(2) of the Act instead of the authority specific to Federal poverty levels. Use Supplement 8b for section 1902(r)(2) methods.)

(Not Applicable)

State Tennessee

Standards for Optional State Supplementary Payments

Payment Category (Reasonable Classification)	Administered by		Income Level				Income Disregards Employed
			Gross		Net		
	Federal	State	1 person	Couple	1 person	Couple	
(1)	(2)		(3)		(4)		(5)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

INCOME LEVELS FOR 1902(f) STATES - CATEGORICALLY NEEDY
WHO ARE COVERED UNDER REQUIREMENTS MORE RESTRICTIVE THAN SSI

(Not Applicable)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

RESOURCE STANDARDS FOR 1902(f) STATES - CATEGORICALLY NEEDY

(Not Applicable)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING INCOME
UNDER SECTION 1902(r)(2) OF THE ACT*

/_/ Section 1902(f) State /X/ Non-Section 1902(f) State

In determining countable income for pregnant women under 1902(l) of the Act there is no deeming of parental income to the pregnant woman.

*More liberal methods may not result in exceeding gross income limitations under section 1903(f).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING INCOME
UNDER SECTION 1902(r)(2) OF THE ACT*

____ Section 1902(f) State ____ Non-Section 1902(f) State

FOR THE QUALIFIED MEDICARE BENEFICIARIES COVERED UNDER SECTION 1902(a)(10)(E)(i) OF THE ACT AND SPECIAL LOW INCOME MEDICARE BENEFICIARIES UNDER SECTION 1902(a)(10)(E)(iii) OF THE ACT

An amount per month per child will be disregarded from the QMB and SLMB applicant/recipient's countable income in situations where minor dependent children, under age 21, live in the home with the QMB/SLMB applicant/recipient.

The amount of this disregard will be reasonably related to the difference between the poverty level income standard for each family size.

*More liberal methods may not result in exceeding gross income limitations under section 1903(f).

D3033246

State Plan Under Title XIX of the Social Security Act

State: Tennessee

LESS RESTRICTIVE METHODS OF TREATING INCOME
UNDER SECTION 1902(r)(2) OF THE ACT

X **For all eligibility groups not subject to the limitations on payment explained in section 1903(f) of the Act*: All wages paid by the Census Bureau for temporary employment activities in connection with the full Census that occurs every 10 years are excluded.**

* Less restrictive methods may not result in exceeding gross income limitations under section 1903(f).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT

/_/ Section 1902(f) State /X/ Non-Section 1902(f) State

The following is a revised resource policy being requested under 1902(b)(2) of the Act.

11A. Groups Other Than Qualified Medicare Beneficiaries

For the Adult Medically Needy and Institutionalized categories, the individual/couple whose countable resources are valued at or below the resource limit at any time during the month meets resource eligibility throughout the entire month.

(Policy effective date: 4-1-88)

This compares with AFDC and SSI policy as follows:

AFDC - If the amount of resource exceeds the AFDC resource limit, the applicant/recipient must be notified that the resource causes the assistance unit to be ineligible but that he/she may reapply as soon as the resource is within the limit. At the point that the applicant/recipient reapplies and the resource is within the appropriate limit, resource eligibility is met.

Although AFDC money payment cannot be made prior to date of AFDC application, Medicaid coverage is authorized the first day of the month of application or 1st day of the 1st month eligibility is attained (if applicant/recipient is not eligible for the month of application). Medicaid eligibility may extend retroactively up to the three calendar months prior to month of application, if all eligibility criteria are met for the retroactive period.

AFDC effective date policy is not being changed by the revised resource policy, since the revision applies only to the Adult Medically Needy and Institutionalized categories.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT

/_/ Section 1902(f) State /X/ Non-Section 1902(f) State

SSI - In SSI, there is the first moment of the month resource eligibility requirement i.e. the individual must be resource eligible on the first moment of the month in order to be eligible for that month. (However, there is conditional eligibility based on the individual's agreement to dispose of excess non-liquid resources and repay for benefits received during the period of time the conditional benefits were paid.)

Prior to March 1, 1988, Tennessee used SSI resource treatment methodology for the Adult Medically Needy and Institutionalized categories, in that an individual had to have been resource eligible the first moment of the month in order to be resource eligible for that month. After March 1, 1988, we are applying a more liberal treatment of resources by allowing an individual to be eligible for the entire month if resources are at or below the resource standard at any time during that month. There is no restriction on how an individual uses the excess resource in order to reduce it to the resource eligibility limit.

Moratorium protection of the revised resource policy was approved based on the following:

1. This resource policy is listed in numerous interpretive materials/guidelines as an example of less restrictive policies allowed under the Moratorium.

2. The SSI first moment of the month rule is not binding for Moratorium protected policies.

3. Since Medicaid eligibility can be authorized from the first day of the month for AFDC recipients who attain eligibility during the month, we are not changing our State's effective date policy for this category.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT

/_/ Section 1902(f) State /X/ Non-Section 1902(f) State

4. With respect to all other aspects of eligibility in all other categories (except for Medically Needy income "spend-down" cases), an individual is Medicaid eligible for the entire month if eligibility is attained at any time during the month. This effective date policy is not being changed by the resource policy revision, except that we are no longer applying the SSI 1st day of the month resource rule, which is allowed under the Moratorium.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT

__ Section 1902(f) State X Non-Section 1902(f) State

The following more liberal treatment of resources applies to the determination of eligibility for SSI-related aged, blind and disabled institutionalized individuals under 42 CFR 435.211, 435.217, and 435.231 and aged, blind and disabled Medically Needy adults under 42 CFR 435.320, 322, and 324 and Qualified Medicare Beneficiaries and Special Low Income Medicare Beneficiaries.

All of the individual's equity value in business/non-business resources used to produce income is excluded as a resource.

Business/Non-Business Resources are defined as land, buildings, equipment, supplies, inventory, tools of a tradesperson, livestock of a farmer, cash on hand, accounts receivable, etc. which are used in the person's trade or business, or in the employment of a family member or by the individual as an employee.

D3053246

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT

___ Section 1902(f) State _X_ Non-Section 1902(f) State

For Qualified Medicare Beneficiaries and Special Low Income Medicare Beneficiaries, the individual/couple whose countable resources are valued at or below the resource limit at any time during the month meets resource eligibility throughout the entire month.

D3043246

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: TENNESSEE

STATE LONG-TERM CARE INSURANCE PARTNERSHIP

Citation:
1902(r)(2) 1917(b)(1)(C) The following more liberal methodology applies to individuals who are eligible for medical assistance under one of the following eligibility groups:

Individuals eligible under Section 1902(a)(10)(A)(ii)(V) (300% of SSI Benefit Standard income/institutionalized not less than 30 days).

Individuals eligible under 1902(a)(10)(A)(ii)(VI).

An individual who is a beneficiary under a long-term care insurance policy that meets the requirements of a "qualified State long-term care insurance partnership" policy (partnership policy) as set forth below, is given a resource disregard as described in this amendment. The amount of the disregard is equal to the amount of the insurance benefit payments made to or on behalf of the individual. The term "long-term care insurance policy" includes a certificate issued under a group insurance contract.

_X_ The State Medicaid Agency (Agency) stipulates that the following requirements will be satisfied in order for a long-term care policy to qualify for a disregard. Where appropriate, the Agency relies on attestations by the State Insurance Commissioner (Commissioner) or other State official charged with regulation and oversight of insurance policies sold in the State, regarding information within the expertise of the State's Insurance Department.

- The policy is a qualified long-term care insurance policy as defined in section 7702B(b) of the Internal Revenue Code of 1986.

- The policy meets the requirements of the long-term care insurance model regulation and long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000) as those requirements are set forth in Section 1917(b)(5)(A) of the Social Security Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: TENNESSEE

STATE LONG-TERM CARE INSURANCE PARTNERSHIP

- The Policy was issued no earlier than the effective date of this State plan amendment.

- The insurance individual was a resident of a Partnership State when coverage first became effective under the policy. If the policy is later exchanged for a different long-term care policy, the individual was a resident of a Partnership State when coverage under the earliest policy became effective.

- The policy meets the inflation protection requirements set forth in section 1917(b)(1)(C)(iii)(IV) of the Social Security Act.

- The Commissioner requires the issuer of the policy to make regular reports to the Secretary that include notification regarding when benefits provided under the policy have been paid and the amount of such benefits paid, notification regarding when the policy otherwise terminates, and such other information as the Secretary determines may be appropriate to the administration of such partnerships.

- The State does not impose any requirement affecting the terms or benefits of a partnership policy that the State does not also impose on non-partnership policies.

- The State Insurance Department assures that any individual who sells a partnership policy receives training and demonstrates evidence of an understanding of such policies and how they relate to other public and private coverage of long-term care.

- The Agency provides information and technical assistance to the Insurance Department regarding the training described above.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF RESOURCES

1917 of the Act

The agency complies with the provisions of section 1917 of the Act with respect to the transfer of resources.

See Addendum to Supplement 9 for transfer of resource policies in effect prior to July 1, 1988.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

b. /X/ The period of ineligibility is less than 24 months, as specified below:

For resources transferred prior to July 1, 1988 by an institutionalized individual who applies before July 1, 1988 the following policy applies:

Uncompensated Value	Counted as A Resource For
$3,000 or less	6 months
$3,001 - 6,000	12 months
$6,001 - 9,000	18 months
$9,001 - 12,000	24 months

c. /_/ The agency has provisions for waiver of denial of eligibility in any instance where the State determines that a denial would work an undue hardship.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

2. Transfer of the home of an individual who is an inpatient in a medical institution.

/_/ A period of ineligibility applies to inpatients in an SNF, ICF or other medical institution as permitted under section 1917(c)(2)(B)(i).

a. Subject to the exceptions on page 2 of this supplement, an individual is ineligible for 24 months after the date on which he disposed of the home. However, if the uncompensated value of the home is less than the average amount payable under this plan for 24 months of care in an SNF, the period of ineligibility is a shorter time, bearing a reasonable relationship (based on the average amount payable under this plan as medical assistance for care in an SNF) to the uncompensated value of the home as follows:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

b. /_/ Subject to the exceptions on page 2 of this supplement, if the uncompensated value of the home is more than the average amount payable under this plan as medical assistance for 24 months of care in an SNF, the period of ineligibility is more than 24 months after the date on which he disposed of the home. The period of ineligibility bears a reasonable relationship (based upon the average amount payable under this plan as medical assistance for care in an SNF) to the uncompensated value of the home as follows:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

No individual is ineligible by reason of item A.2 if--

(i) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual can reasonably be expected to be discharged from the medical institution and to return to that home;

(ii) Title to the home was transferred to the individual's spouse or child who is under age 21, or (for States eligible to participate in the State program under title XVI of the Social Security Act) is blind or permanently and totally disabled or (for States not eligible to participate in the State program under title XVI of the Social Security Act) is blind or disabled as defined in section 1614 of the Act;

(iii) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual intended to dispose of the home either at fair market value or for other valuable consideration; or

(iv) The agency determines that denial of eligibility would work an undue hardship.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

3. 1902(f) States

/_/ Under the provisions of section 1902(f) of the Social Security Act, the following transfer of resource criteria more restrictive than those established under section 1917(c) of the Act, apply:

B. Other than those procedures specified elsewhere in the supplement, the procedures for implementing denial of eligibility by reason of disposal of resources for less than fair market value are as follows:

1. If the uncompensated value of the transfer is $12,000 or less:

Uncompensated Value	Counted As A Resource For
$3,000 or less	6 months
$3,001 - 6,000	12 months
$6,001 - 9,000	18 months
$9,001 - 12,000	24 months

2. If the uncompensated value of the transfer is more than $12,000:

Add one additional month for each additional $1,000 of uncompensated value (or portion thereof)

*This policy applies to resources transferred prior to July 1, 1988 by a non-institutional individual who applies before, on or after July 1, 1988, or by an institutionalized individual who applies before July 1, 1988.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

3. If the agency sets a period of ineligibility of less than 24 months and applies it to all transfers of resources (regardless of uncompensated value):

4. Other procedures:

C. In accordance with Section 303 of the Medicare Catastrophic Coverage Act of 1988, effective July 1, 1988 any assets transferred by an institutionalized individual on or after that date and subsequently any assets transferred within 30 months of applying for Medicaid on or after July 1, 1988, for less than fair market value, will be considered an available asset. Countable assets for this provision include all real and personal property.

1. Do not restrict Medicaid coverage to institutionalized individuals under the provisions in Section 303(b) of the Medicaid Catastrophic Coverage Act if:

a. The resources transferred were a home, and title to the home was transferred to the:

(1) Spouse;
(2) Minor child under age 21 or adult disabled or blind child;
(3) Sibling who has equity interest and has resided in the home for at least one year prior to the individual's institutionalization;
(4) Child (other than those in (2) above) who resided in the home at least two years immediately preceding the individual's institutionalization and who provided care that permitted the individual to stay in the home rather than a medical or nursing facility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

b. The resources were transferred to (or to another party for the sole benefit of) the community spouse or the individual's child who is blind or permanently and totally disabled.

2. The period of ineligibility, for nursing home vendor payments (or home and community based services) unless hardship provisions apply, shall begin with the month in which such resources were transferred and the number of months in such period shall be equal to the lesser of: (a) the uncompensated value of assets so transferred divided by the average cost of nursing facility services at the private pay rate or, (b) 30 months.

3. An institutionalized spouse who (or whose spouse) transferred resources for less than fair market value shall not be found ineligible for nursing facility services, for a level of care in a medical institution equivalent to that of nursing facility services, or for home and community-based services where the State determines that denial of eligibility would work an undue hardship under the provision of section 1917(c)(2)(D) of the Social Security Act.

4. If the community spouse transfers to another party assets that have been transferred to him/her from the institutionalized spouse, or other assets, for less than fair market value, the institutionalized spouse will be penalized according to C.3. above as if s(he) had made the transfer. The 30 month transfer time frame prior to institutionalization applies to these situations.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

D. For the period prior to 7-1-88 as well as the period from 7-1-88 through 9-30-89 interspousal transfers of property are considered a transfer of assets if:

1. The resource was other than a homestead (or excluded resources for transfers prior to 7-1-88);

2. The resource was not jointly owned by both spouses; and

3. Less than fair market value was received by the spouse transferring the resource.

This policy applies to transfers:

1. Within 24 months prior to 7-1-88 for noninstitutionalized individuals applying anytime and for institutionalized individuals applying prior to 7-1-88; and

2. Made 7-1-88 or later and subsequently within 30 months of application for institutionalized individuals applying 7-1-88 or later.

A transfer of assets penalty as specified in Supplement 9 to attachment 2.6-A pages 1,2,6, and 7a will be applied unless:

1. The individual can rebut either of the transfer presumptions: transfer to attain or maintain Medicaid eligibility or receipt of fair compenation; or

2. The transfer was made by the individual's legal representative without his/her knowledge or consent; or

3. Hardship exists for transfers made 7-1-88 or later by institutionalized individuals applying 7-1-88 or later.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

An institutionalized spouse who (or whose spouse) transferred resources for less than fair market value shall not be found ineligible for nursing facility services, for a level of care in a medical institution equivalent to that of nursing facility services, or for home and community-based services where the State determines that denial of eligibility would work an undue hardship under the provision of section 1917(c)(2)(D) of the Social Security Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

PRE-1988 TRANSFER OF RESOURCES POLICY

The agency provides for the denial of eligibility by reason of disposal of resources for less than fair market value.

A. Except as noted below, the criteria for determining the period of ineligibility are the same as criteria specified in section 1613(c) of the Social Security Act (Act).

For resources transferred prior to July 1, 1988 by an institutionalized individual who applies before July 1, 1988 the following policy applies:

1. Transfer of resources other than the home of an individual who is an inpatient in a medical institution.

a. /X/ The agency uses a procedure which provides for a total period of ineligibility greater than 24 months for individuals who have transferred resources for less than fair market value when the uncompensated value of disposed of resources exceeds $12,000. This period bears a reasonable relationship to the uncompensated value of the transfer. The computation of the period and the reasonable relationship of this period to the uncompensated value is described as follows:

Uncompensated Value	Counted As A Resource For
over 12,000	add one additional month for each $1,000 (or portion thereof) of uncompensated value.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

b. /X/ The period of ineligibility is less than 24 months, as specified below:

Uncompensated Value	Counted as A Resource For
$3,000 or less	6 months
$3,001 - 6,000	12 months
$6,001 - 9,000	18 months
$9,001 - 12,000	24 months

c. / / The agency has provisions for waiver of denial of eligibility in any instance where the State determines that a denial would work an undue hardship.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

B. The procedures for implementing denial of eligibility by reason of disposal of resources for less than fair market value are as follows:

1. If the uncompensated value of the transfer is $12,000 or less:

Uncompensated Value	Counted As A Resource For
$3,000 or less	6 months
$3,001 - $6,000	12 months
$6,001 - $9,000	18 months
$9,001 - $12,000	24 months

2. If the uncompensated value of the transfer is more than $12,000:

Add one additional month for each additional $1,000 of uncompensated value (or portion thereof)

*This policy applies to resources transferred prior to July 1, 1988 by a non-institutional individual who applies before, on or after July 1, 1988, or by an institutionalized individual who applies before July 1, 1988.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

C. For the period prior to 7-1-88 as well as the period from 7-1-88 through 9-30-89 interspousal transfers of property are considered a transfer of assets if:

1. The resource was other than a homestead (or excluded resources for transfers prior to 7-1-88);

2. The resource was not jointly owned by both spouses; and

3. Less than fair market value was received by the spouse transferring the resource.

This policy applies to transfers:

1. Within 24 months prior to 7-1-88 for noninstitutionalized individuals applying anytime and for institutionalized individuals applying prior to 7-1-88; and

2. Made between 7-1-88 and 9-30-89 and subsequently within 30 months of application for institutionalized individuals applying 7-1-88 or later.

A transfer of assets penalty as specified in Addendum to Supplement 9 to Attachment 2.6-A pages 1 and 2 will be applied unless:

1. The individual can rebut either of the transfer presumptions: transfer to attain or maintain Medicaid eligibility or receipt of fair compensation; or

2. The transfer was made by the individual's legal representative without his/her knowledge or consent; or

3. Hardship exists for transfers made 7-1-88 or later by institutionalized individuals applying 7-1-88 or later.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

An institutionalized spouse who (or whose spouse) transferred resources for less than fair market value shall not be found ineligible for nursing facility services, for a level of care in a medical institution equivalent to that of nursing facility services, or for home and community-based services where the State determines that denial of eligibility would work an undue hardship under the provision of section 1917(c)(2)(D) of the Social Security Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Tennessee

TRANSFER OF ASSETS

1917(c) **FOR TRANSFERS OF ASSETS FOR LESS THAN FAIR MARKET VALUE MADE ON OR AFTER FEBRUARY 8, 2006,** the agency provides for the denial of certain Medicaid services.

1. Institutionalized individuals are denied coverage of certain Medicaid services upon disposing of assets for less than fair market value on or after the look-back date which is 60 months from the date of application.

   The agency does not provide medical assistance coverage for institutionalized individuals for the following services:

   Nursing facility services;

   Nursing facility level of care provided in a medical institution;

   Home and community-based services under a 1915(c) or (d) waiver.

2. Non-institutionalized individuals:

   ___ The agency applies these provisions to the following non-institutionalized eligibility groups. These groups can be no more restrictive than those set forth in section 1905(a) of the Social Security Act:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

The agency withholds payment to non-institutionalized individuals for the following services:

Home health services (section 1905(a)(7));

Home and community care for functionally disabled elderly adults (section 1905(a)(22));

Personal care services furnished to individuals who are not inpatients in certain medical institutions, as recognized under agency law and specified in section 1905(a)(24).

___ The following other long-term care services for which payment for which payment for medical assistance is otherwise made under the agency plan:

3. Penalty Date--The beginning date of each penalty period imposed for an uncompensated transfer of assets is the later of:

- the first day of a month during or after which assets have been transferred for less than fair market value;

_X_ The State uses the first day of the month in which the assets were transferred

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

____ The State uses the first day of the month after the month in which the assets were transferred
or

- the date on which the individual is eligible for medical assistance under the State plan and is receiving institutional level care services described in paragraphs 1 and 2 that, were it not for the imposition of the penalty period, would be covered by Medicaid;

  AND

  which does not occur during any other period of ineligibility for services by reason of a transfer of assets penalty.

4. Penalty Period - Institutionalized Individuals--
In determining the penalty for an institutionalized individual, the agency uses:

__X__ the average monthly cost to a private patient of nursing facility services in the State at the time of application;

_____ the average monthly cost to a private patient of nursing facility services in the community in which the individual is institutionalized at the time of application.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

5. Penalty Period - Non-institutionalized Individuals--
The agency imposes a penalty period determined by using the same method as is used for an institutionalized individual, including the use of the average monthly cost of nursing facility services;

___ imposes a shorter penalty period than would be imposed for institutionalized individuals, as outlined below:

6. Penalty period for amounts of transfer less than cost of nursing facility care--

__X__ Where the amount of the transfer is less than the average monthly private payment rate of nursing facility care, the agency imposes a penalty for less than a full month, based on the option selected in item 4.

__X__ The state adds together all transfers for less than fair market value made during the look-back period in more than one month and calculates a single period of ineligibility, that begins on the earliest date that would otherwise apply if the transfer had been made in a single lump sum.

7. Penalty periods - transfer by a spouse that results in a penalty period for the individual--

(a) The agency apportions any existing penalty period between the spouses using the method outlined below, provided the spouse is eligible for Medicaid. A penalty can be assessed against the spouse, and some portion of the penalty against the individual remains.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

If the institutionalized individual is being penalized due to a transfer by the community spouse and the community spouse becomes institutionalized and applies for Medicaid, the penalty must be apportioned between both spouses. Should one member of the couple leave the facility or die, the remaining portion of the penalty must be served by the remaining institutionalized spouse.

(b) If one spouse is no longer subject to a penalty, the remaining penalty period must be served by the remaining spouse.

8. Treatment of a transfer of income—

When income has been transferred as a lump sum, the agency will calculate the penalty period on the lump sum value.

When a stream of income or the right to a stream of income has been transferred, the agency will impose a penalty period for each income payment.

__X__ For transfers of individual income payments, the agency will impose partial month penalty periods using the methodology selected in 6. above.

__X__ For transfers of the right to an income stream, the agency will base the penalty period on the combined actuarial value of all payments transferred.

9. Imposition of a penalty would work an undue hardship

The agency does not impose a penalty for transferring assets for less than fair market value in any case in which the agency determines that such imposition would work an undue hardship. The agency will use the following criteria in making undue hardship determinations:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

Application of a transfer of assets penalty would deprive the individual:

(a) Of medical care such that the individual's health or life would be endangered; or

(b) Of food, clothing, shelter, or other necessities of life.

10. Procedures for Undue Hardship Waivers

The agency has established a process under which hardship waivers may be requested that provides for:

(a) Notice to a recipient subject to a penalty that an undue hardship exception exists;

(b) A timely process for determining whether an undue hardship waiver will be granted; and

(c) A process, which is described in the notice, under which an adverse determination can be appealed.

These procedures shall permit the facility in which the institutionalized individual is residing to file an undue hardship waiver application on behalf of the individual with the consent of the individual or the individual's personal representative.

11. Bed Hold Waivers For Hardship Applicants

The agency provides that while an application for an undue hardship waiver is pending in the case of an individual who is a resident of a nursing facility:

_____ Payments to the nursing facility to hold the bed for the individual will be made for a period not to exceed _____ days (may not be greater than 30).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF ASSETS

1917(c)(1)(I) 12. **Promissory Notes, Loans or Mortgages**:

With respect to the transfer of assets, the term assets (see definition of "assets" at section 1917(e)(1) of the Act) includes funds used to purchase a promissory note, loan or mortgage unless all of the following criteria are met:

- The repayment term must be actuarially sound;
- Payments must be made in equal amounts during the terms of the loan with no deferral of payments and no balloon payments; and
- The promissory note, loan or mortgage must prohibit the cancellation of the balance upon the death of the lender.

1917(c)(1)(J) 13. **Life Estates:**

With respect to the purchase of a life estate, unless an individual purchasing a life estate in another individuals' home actually resides there for a period of at least one year after the date of purchase, the transaction is treated as a transfer of assets. The amount of the transfer is the entire amount used to purchase the life estate. This amount is not reduced or prorated to reflect an individual's residency for a period of time less than a year.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

CONSIDERATION OF MEDICAID QUALIFYING TRUSTS--UNDUE HARDSHIP

1902(k)(4) of the Act, P.L. 99-272 (section 9506)

For an applicant or recipient who is subject to the requirements at section 1902(k) of the Act, governing Medicaid qualifying trusts, the State will waive application of these requirements to the applicant or recipient in cases where the State determines that application of these rules would result in undue hardship.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Tennessee

COST EFFECTIVENESS METHODOLOGY FOR COBRA CONTINUATION BENEFICIARIES

1902(u) of the Act

Premium payments are made by the agency only if such payments are likely to be cost-effective. The agency specifices the guidelines used in determining cost effectiveness by selecting one of the following methods:

_____ The methodology as described in SMM section 3598.

_____ Another cost-effective methodology as described below. (See attachment 4.22-C).

Supplement 11a to
Attachment 2.6-A

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

METHODOLOGY FOR MORE LIBERAL TREATMENT OF INCOME
AS ALLOWED UNDER 1902(r)(2) OF THE ACT

The following treatment of income applies to the SSI related medically needy adults under 42 CFR 435.320, 322 and 324 and Qualified Medicare Beneficiaries. ~~and Qualified Disabled Working Individuals~~.

Countable income for the above individuals is being redefined so as not to include unearned in-kind support and maintenance (ISM).

D1140268/1

TN No. ~~90-23~~ DATE/RECEIPT 9/28/90
SUPERSEDES DATE/APPROVED 11/20/90
TN No. ~~NEW~~ 89-6 DATE/EFFECTIVE 7/1/90

Supplement 11b to
Attachment 2.6-A

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

METHODOLOGY FOR MORE LIBERAL TREATMENT OF INCOME
AS ALLOWED UNDER 1902(r)(2) OF THE ACT

The following more liberal treatment of income applies to the determination of income for SSI-related aged, blind and disabled institutionalized individuals under 42 CFR 435.211, 435.217, and 435.231 and aged, blind, and disabled Medically Needy adults under 42 CFR 435.320, 322, and 324 and Qualified Medicare Beneficiaries, ~~and Qualified Disabled Working Individuals.~~

Gross income for eligibility determination purposes is redefined so as not to include the following:

(1) The costs of doing business i.e. the ordinary and necessary expenses involved in the production and collecting of income, including but not limited to:

(a) State and local real/personal property taxes

(b) Expenses of managing and maintaining the property

(c) Mortgage interest payments

(d) Fire insurance premiums

(e) Normal maintenance and repair on personal/real property

(f) Salaries, wages, employee benefits

(g) Rental/lease of office space or equipment

(h) Other allowable expenses as reported on the applicant/recipient's federal income tax return.

(2) Mandatory deductions such as FICA and withholding tax on pensions and other unearned income.

D1160268/1

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

X Pregnant women with no other eligible children.

X AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training.

____ In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996 without modification.

X In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

____ The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

____ The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

____ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

1. Earned income deduction that is equal to $90 plus $30 and 1/3 or the current TANF general earned income disregard, whichever is higher, for applicants and recipients.

Example:

Aid Group Size	1
CNS	$510
	90
	30
	130 (1/3 amount)
	$250

$250 – $150 = $100
$100 = 1931 disregard

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

2. Up to $2000 in resources will be excluded. Escrow profits for low-income entrepreneurs and Individual Development Accounts (IDA) of up to $5,000 each plus interest earned are excluded as countable resources.

3. Lump sum payments will be considered as a resource in the month received and thereafter if retained.

4. The first $4,600 of equity value in an automobile will be disregarded. Any excess equity value of the automobile or the equity value of any other vehicle(s) will be considered as a resource and applied to the $2,000 resource limit set forth in item 2. above.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. Thirty dollar disregard was allowed for a total of twelve months, one-third disregard for four months, and the $90 disregard for an unlimited time period as long as there were earnings.

2. The cash assistance resource limit was $1,000. There was no previous exclusion of escrow profits for low-income entrepreneurs or IDAs.

3. Prior policy required determination of a period of ineligibility using the lump sum as income divided by the Consolidated Need Standard (CNS) for the aid group (AG) size. The CNS for an AG containing 24 persons of $1,199 is much less than the $2,000 resource limit now used to determine a period of ineligibility. Ineligibility under prior policy was a predetermined quotient that could be reduced only under certain specified circumstances. Under new policy the AG may be ineligible for one month only unless the AG retains the lump sum and it cause resource ineligibility in subsequent months. Using the lump sum as income previously usually resulted in more than one month of ineligibility (e.g. $2,000 lump sum ÷ $677 CNS for 3 = 2 months ineligibility plus $646 counted as an income in the third month. Under new policy this lump sum would not have caused ineligibility unless the AG had additional resources. Even so, the AG would have opportunity to spend the excess resources to become resource eligible in the subsequent month with only one month of ineligibility).

4. The equity value of one vehicle in excess of $1,500 was a countable resource.

____ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

_X_ The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

§§402(a)(38) and 402(a)(41) and the various provisions of the regulations at 45 CFR 206.10(a)(1)(vii), 233.100(a)(1), (2), (3) and (c)(1)(iii) and (iv), and (c)(2)(1) and 233.101(a)(1), (2), (3), and (c)(1)(iii) and (iv), and (c)(2)(1) to allow the State to eliminate the unemployed

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

parent requirement that the principal earner be employed less than 100 hours per month in situations where the caretaker in an AFDC family marries a nonrecipient.

§402(a)(31) and the various provisions of the regulations at 45 CFR 233.20(a)(3)(xiv) to allow the State to disregard the income of a new spouse who marries a recipient if the income, minus child support payments made to a child outside the assistance unit, is less than 185 percent of the standard of need for the assistance group size.

D1043059

State Plan Under Title XIX of the Social Security Act

State: Tennessee

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

X **The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:**

All wages paid by the Census Bureau for temporary employment activities in connection with the full Census that occurs every 10 years are excluded.

_____ The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE

For individuals with greater need who participate in sheltered workshops, up to $100 of earnings plus $40 are allowed as the personal needs allowance which may not exceed $140 per month.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Tennessee

VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE

Disclosure Statement for Post-Eligibility Preprint

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is #0938-0673. The time required to complete this information collections is estimated at 5 hours per response, including the time to review instructions, searching existing data resources, gathering the data needed and completing and reviewing the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: HCFA, 7500 Security Boulevard, N2-14-26, Baltimore, Maryland 21244-1850 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

GW/D4029091

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

DISQUALIFICATION FOR LONG-TERM CARE ASSISTANCE FOR INDIVIDUALS WITH SUBSTANTIAL HOME EQUITY

1917(f) The State agency denies reimbursement for nursing facility services and other long-term care services covered under the State plan for an individual who does not have a spouse, child under 21 or adult disabled child residing in the individual's home, when the individual's equity interest in the home exceeds the following amount:

__X__ $500,000 (increased by the annual percentage increase in the urban component of the consumer price index beginning with 2011, rounded to the nearest $1,000).

_____ An amount that exceeds $500,000 but does not exceed $750,000 (increased by the annual percentage increase in the urban component of the consumer price index beginning with 2011, rounded to the nearest $1,000).

The amount chosen by the State is _____.

_____ This higher standard applies statewide.

_____ This higher standard does not apply statewide. It only applies in the following areas of the State:

_____ This higher standard applies to all eligibility groups.

_____ This higher standard only applies to the following eligibility groups:

The State has a process under which this limitation will be waived in cases of undue hardship.