

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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State Demonstrations Group

May 8, 2024

Stephen Smith
Director of TennCare
Tennessee Department of Finance and Administration
310 Great Circle Road Nashville, TN 37243

Dear Director Smith:

The Centers for Medicare & Medicaid Services (CMS) completed its review of the Final Report for the Tennessee COVID-19 Public Health Emergency amendment to the section 1115 demonstration entitled, “TennCare III” (Project No: 11-W-00369/4). This report covers the demonstration period from March 1, 2020 – November 11, 2023. CMS determined that the Final Report, submitted on April 15, 2024, is in alignment with the CMS-approved Evaluation Design, and therefore, approves the state’s Final Report.

In accordance with STC #98, the approved Final Report may now be posted to the state’s Medicaid website within 30 days. CMS will also post the Final Report on Medicaid.gov.

We sincerely appreciate the state’s commitment to evaluating the COVID-19 PHE amendment under these extraordinary circumstances. We look forward to our continued partnership on the TennCare III section 1115 demonstration. If you have any questions, please contact your CMS demonstration team.

Sincerely,

Danielle Daly
-S

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Danielle Daly -S
Date: 2024.05.08
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Danielle Daly
Director
Division of Demonstration Monitoring and Evaluation

cc: Tandra Hodges, State Monitoring Lead, CMS Medicaid and CHIP Operations Group



Division of TennCare

TennCare III Demonstration

Project No. 11-W-00369/4

Emergency Demonstration Amendment

COVID-19 PHE HCBS Flexibilities

Draft Final Evaluation Report

April 15, 2024

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A. Executive Summary

In 2022, Tennessee received approval of demonstration authority to implement an array of enhancements to the home- and community-based services (HCBS) authorized under the state’s 1115 demonstration in response to the COVID-19 public health emergency (PHE). These enhancements were closely linked to Tennessee’s approved plan to enhance, expand, or strengthen Medicaid HCBS under Section 9817 of the American Rescue Plan Act of 2021, which was also intended to help support state responses to the COVID-19 PHE. This report presents the results of the state’s evaluation of its implementation of this demonstration authority. The results of the evaluation indicate that the demonstration authority was effective in promoting the objectives of Medicaid and in supporting access to care for HCBS recipients in Tennessee during the COVID-19 PHE.

B. Background

In 2020, the Secretary of Health and Human Services issued a determination that COVID-19 represented a nationwide public health emergency (PHE). Tennessee’s Medicaid program, which operates under the authority of an 1115 demonstration known as TennCare and which goes by the name “TennCare,” was a key component of Tennessee’s response to the COVID-19 PHE and of the state’s public safety net more broadly.

The TennCare demonstration includes several programs that provide long-term services and supports (LTSS). These include the following:

- The CHOICES program provides LTSS (including nursing facility services and HCBS) to elderly adults and individuals with physical disabilities.
- The Employment and Community First CHOICES program (ECF CHOICES) provides HCBS to individuals with intellectual or other developmental disabilities.

The American Rescue Plan Act of 2021 (ARP) included a number of provisions intended to support state Medicaid programs in their response to the COVID-19 PHE. Among these provisions, Section 9817 of the ARP authorized additional federal funding to enhance, expand, or strengthen Medicaid HCBS. Pursuant to CMS guidance on ARP Section 9817 and after an extensive stakeholder input process, Tennessee submitted and subsequently received CMS approval of its plan to use ARP Section 9817 funding to enhance, expand, and strengthen Medicaid HCBS programs in Tennessee (“HCBS Spending Plan”).

Consistent with its approved HCBS Spending Plan, on November 3, 2021, Tennessee submitted a proposed amendment to the TennCare 1115 demonstration, under which most of the state’s Medicaid HCBS are authorized. The purpose of this proposed demonstration amendment was to strengthen the state’s ability to support HCBS recipients during the COVID-19 PHE by implementing the activities identified in the state’s approved HCBS Spending Plan. These activities included:

1. Increasing the expenditure caps for HCBS recipients enrolled in CHOICES and ECF CHOICES (when an individual cost neutrality test is not applicable),
2. Providing time-limited exceptions to the expenditure caps for HCBS recipients enrolled in CHOICES and ECF CHOICES who routinely receive unpaid support and assistance from family caregivers, and
3. Adding Enabling Technology as a benefit for HCBS recipients in CHOICES.

CMS approved the state’s requested demonstration authority on April 26, 2022. On June 24, 2022, Tennessee submitted an evaluation design to CMS, in which the state described how it proposed to understand the successes, challenges, and lessons learned in implementing this approved HCBS authority. On July 27, 2022, CMS approved Tennessee’s evaluation design. The approved evaluation design is attached to this report as Appendix A.

This report presents the results of Tennessee’s evaluation of the flexibilities to enhance, expand, and strengthen HCBS under the TennCare demonstration that were approved during the COVID-19 PHE. This report has been prepared in accordance with the state’s approved evaluation design. This evaluation design served as a guide for evaluating Tennessee’s HCBS COVID-19 PHE Section 1115 demonstration and developing the federally required Final Report.

Tennessee’s Final Report is organized as follows:

- **Section A.** Executive Summary
- **Section B.** General Background Information
- **Section C.** Evaluation Questions and Hypotheses
- **Section D.** Methodology
- **Section E.** Methodological Limitations
- **Section F.** Results
- **Section G.** Conclusions, Interpretations, Lessons Learned, and Recommendations

C. Evaluation Questions and Hypotheses

Figure 1 outlines the hypotheses and research questions (RQs) related to understanding the successes, challenges, and lessons learned in implementing the risk mitigation demonstration authority.

Figure 1. Hypotheses and Research Questions

Research Questions (RQ)	
Hypothesis 1 – The demonstration will facilitate attaining the objectives of Medicaid.	
RQ 1.1	What activities did the state ultimately undertake to support HCBS recipients and their caregivers under the demonstration authority?
RQ 1.2	In what ways during the PHE did the demonstration support adding or strengthening supports for persons receiving HCBS?
RQ 1.3	What problems may have been faced by HCBS recipients in Tennessee during the PHE had the state not implemented the activities authorized under this demonstration that would have undermined the objectives of Medicaid, and how did the demonstration address or prevent these problems?
RQ 1.4	What were the principal challenges associated with implementing the modifications to HCBS authorized under the demonstration authority?
RQ 1.5	What were the principal lessons learned for any future PHEs in implementing the demonstration flexibilities?

Research Questions (RQ)	
Hypothesis 2 – The demonstration will provide TennCare with authority to support HCBS recipients during the public health emergency beyond what would have been permissible absent the demonstration authority.	
RQ 2.1	To what extent did the HCBS authorized under the demonstration authority result in greater supports to individuals receiving HCBS during the PHE?

D. Methodology

This section provides details on the proposed methodology for evaluation, including data sources, analytic methods, and evaluation approach.

Section D.1 summarizes the data used to conduct the evaluation.

Section D.2 outlines the analytic methods used to conduct the evaluation.

Section D.3 details the evaluation approach Tennessee used to evaluate each hypothesis.

1. Data Sources

Tennessee compiled data for the evaluation from qualitative and quantitative data sources including staff interviews and state administrative data with relevance to the CHOICES and ECF CHOICES programs.

Document Review

The state reviewed relevant documents to understand the scope of activities undertaken under the authority of the demonstration amendment.

Staff Interviews

The state conducted interviews with staff in TennCare’s Division of Long-Term Services and Supports who were involved in the planning and implementation of the HCBS initiatives described in this demonstration amendment to evaluate the extent to which these activities facilitated attaining the objectives of Medicaid. Tennessee identified interview participants based on involvement in the implementation of the HCBS activities authorized under the demonstration amendment.

Encounter Data

Tennessee analyzed encounter data to understand and quantify the extent to which the demonstration amendment allowed HCBS recipients to access supports beyond what would have been available absent the demonstration amendment.

2. Analytic Methods

As part of the approval of the state’s HCBS demonstration amendment, CMS required Tennessee to conduct a “simplified” version of the 1115 demonstration evaluation framework that focuses on using qualitative methods and descriptive statistics to understand how the approved flexibilities helped Tennessee respond to the COVID-19 PHE. Accordingly, Tennessee conducted the evaluation using the following qualitative and descriptive statistics methods.

Qualitative Analysis

The state collected qualitative data through interviews with key staff involved in planning, implementation, and oversight of Tennessee’s HCBS programs, including implementation and oversight of the HCBS flexibilities described in this demonstration amendment. Evaluators analyzed the takeaways from that joint interview to identify themes or patterns within the interview responses.

Descriptive Analyses

For research questions assessing service utilization, the state calculated standard summary descriptive statistics to understand the extent to which the demonstration amendment allowed HCBS recipients to access additional supports.

3. Evaluation Approach

Figure 2 outlines the hypotheses, RQs, outcome measures, data sources, and analytic approaches for Tennessee’s evaluation.

Figure 2. Analytic Table

Research Question	Outcome Measure(s)	Data Source(s)	Analytic Approach
Hypothesis 1 – The demonstration will facilitate attaining the objectives of Medicaid.			
RQ 1.1: What activities did the state ultimately undertake to support HCBS recipients and their caregivers under the demonstration authority?	- Type(s) of HCBS benefits authorized under the demonstration authority	- Document review	- Qualitative analysis
RQ 1.2: In what ways during the PHE did the demonstration support adding or strengthening supports for persons receiving HCBS?	- Benefits/successes of adding HCBS supports that would not have been realized if the demonstration authority were not in place	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.3: What problems may have been faced by HCBS recipients in Tennessee during the PHE had the state not implemented the activities authorized under this demonstration that would have undermined the objectives of Medicaid, and how did the demonstration address or prevent these problems?	- Description of how the demonstration authority addressed or prevented problems faced by HCBS recipients during the COVID-19 public health emergency	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.4: What were the principal challenges associated with implementing the modifications to HCBS authorized under the demonstration authority?	- Description of challenges (if any) related to implementing the additional HCBS authorized under the demonstration	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.5: What were the principal lessons learned for any future PHEs in implementing the demonstration flexibilities?	- Description of lessons learned for future PHEs in implementing the demonstration flexibilities	- TennCare staff Interview(s)	- Qualitative analysis

Research Question	Outcome Measure(s)	Data Source(s)	Analytic Approach
Hypothesis 2 – The authority will provide TennCare with authority to support HCBS recipients during the public health emergency beyond what would have been permissible absent the demonstration authority.			
RQ 2.1: To what extent did the HCBS authorized under the demonstration authority result in greater supports to individuals receiving HCBS during the PHE?	<ul style="list-style-type: none"> - Utilization rates of HCBS beyond the otherwise applicable expenditure caps during the COVID-19 PHE - Utilization rates for Enabling Technology by CHOICES 2 and 3 members 	- TennCare encounter data	- Descriptive analysis

E. Methodological Limitations

Based on the terms of the approval of this amendment and guidance from CMS, the state’s evaluation design for this amendment focused primarily on qualitative methods and descriptive statistics. These methods have certain generally known limitations. Specifically, it is generally not possible to make causal inferences based on these methods alone. Nonetheless, these methods are still useful in supporting understanding of the successes, challenges, and lessons learned in implementing the amendment.

F. Results

This section provides detailed observations by research question, organized by hypothesis.

Hypothesis 1: The demonstration will facilitate attaining the objectives of Medicaid.

This hypothesis examines whether the demonstration amendment facilitated attaining the objectives of Medicaid. The state’s findings are organized by RQ below.

RQ 1.1 What activities did the state ultimately undertake to support HCBS recipients and their caregivers under the demonstration authority?

Under this demonstration amendment, Tennessee undertook the following activities to support HCBS recipients and their caregivers.

1. The expenditure caps applicable to HCBS furnished to persons in CHOICES Group 3 and ECF CHOICES were increased.¹
2. Certain individuals receiving HCBS during the COVID-19 PHE (i.e., those with family caregivers who routinely provide unpaid support and assistance) were permitted to receive HCBS in excess of the applicable expenditure caps in order to support HCBS recipients and their family caregivers in maintaining their home- and community-based living arrangements during the COVID-19 PHE.
3. Enabling Technology was added to scope of benefits available to persons receiving HCBS through CHOICES.

¹ Individuals in CHOICES Group 2 are subject to an individual cost neutrality test.

These activities were undertaken in conjunction with other initiatives from Tennessee’s ARP Section 9817 HCBS Spending Plan that were authorized under various other authorities.

RQ 1.2 In what ways during the PHE did the demonstration support adding or strengthening supports for persons receiving HCBS?

The demonstration amendment provided authority for Tennessee to add or strengthen supports for persons receiving HCBS in multiple ways—by providing authority for Tennessee to add Enabling Technology as a covered service in CHOICES, by increasing the expenditure limits applied to the HCBS provided to persons in CHOICES and ECF CHOICES, and providing an additional one-time exception to allow persons enrolled in CHOICES and ECF CHOICES during the COVID-19 PHE to receive HCBS in excess of their specified expenditure limits in order to support the continued sustainability of home- or community-based living arrangements in which family caregivers routinely provide unpaid supports.

Because CHOICES and ECF CHOICES are authorized under the TennCare demonstration, these program modifications to strengthen supports for persons receiving HCBS would not have been possible without a demonstration amendment. Had Tennessee gone through the standard process for amending the demonstration—rather than the expedited process for amending the demonstration during the COVID-19 PHE—it is unlikely that these HCBS enhancements would have been approved in time for these supports to be available to beneficiaries during the COVID-19 PHE.

RQ 1.3 What problems may have been faced by HCBS recipients in Tennessee during the PHE had the state not implemented the activities authorized under this demonstration that would have undermined the objectives of Medicaid, and how did the demonstration address or prevent these problems?

Had Tennessee not implemented the activities authorized under this demonstration amendment it is likely that several significant challenges for HCBS recipients would have emerged. Tennessee, like all states, has experienced challenges involving the HCBS workforce in recent years, and these workforce challenges were exacerbated by the COVID-19 pandemic. Increasing the HCBS expenditure caps in CHOICES and ECF CHOICES allowed the state and its contracted MCOs to implement targeted rate increases for HCBS workers without the risk that beneficiaries would exceed their HCBS expenditure caps as a result of these increased costs. These targeted rate increases helped to ensure the ongoing availability of care during the COVID-19 PHE, and absent this authority, individuals may have struggled to access care, risked going without essential services, or been forced into more institutional or congregate settings. Likewise, the additional supports offered to HCBS recipients who routinely receive unpaid support from family caregivers helped to ensure the sustainability those home- and community-based living arrangements during the COVID-19 PHE. Absent these supports, HCBS recipients would have experienced greater challenges maintaining their existing community living arrangements and would have been at greater risk of transitioning into more institutional or congregate settings.

RQ 1.4 What were the principal challenges associated with implementing the modifications to HCBS authorized under the demonstration authority?

In general, Tennessee did not experience any notable challenges in implementing this demonstration amendment. The COVID-19 PHE was itself a major challenge for Medicaid HCBS programs. The pandemic exacerbated existing HCBS workforce issues. It also required states to gather information and make policy decisions quickly, which made communication with appropriate stakeholders especially critical, even while the pandemic created stakeholder communication challenges. However, these were challenges that resulted from the COVID-19 pandemic itself, not from the implementation of this demonstration amendment.

RQ 1.5 What were the principal lessons learned for any future PHEs in implementing the demonstration flexibilities?

While Tennessee and CMS have long shared a belief in the value of allowing individuals needing LTSS to receive care in their homes and communities, the COVID-19 pandemic further illustrated the crucial nature of robust HCBS systems as part of the continuum of care during a widespread infectious diseases outbreak. Ensuring that individuals are able to receive the supports they need in their homes and communities helped alleviate the risks to individuals of transitioning to institutional settings, as well as helped ensure that nursing facilities and other institutions struggling to address the impacts of COVID-19 were not overburdened. In our view, the federal government's actions to strengthen Medicaid HCBS during the pandemic were appropriate and effective; in particular, providing states with additional resources to support HCBS programs, while allowing states flexibility to make decisions about how best to target and use those resources, resulted in positive impacts for HCBS recipients and their caregivers in Tennessee during the COVID-19 PHE.

State HCBS programs are authorized under a mixture of 1915(c) waivers and 1115 demonstrations. Tennessee has HCBS programs authorized under both authorities. During the COVID-19 PHE, CMS generally tried to make the same flexibilities available to state HCBS programs, regardless of whether those emergency flexibilities were authorized under a 1915(c) Appendix K or under an emergency 1115 demonstration authority. This was an effective strategy for ensuring that states had the tools they needed to implement critical interventions in their HCBS programs, regardless of the underlying authority. CMS should adopt a similar approach in future PHEs involving HCBS programs. More broadly, CMS could consider modifying its policies regarding amendments to 1115 demonstrations when such amendments solely concern a 1915(c)-like HCBS program authorized under a demonstration. To the extent that the same rules and policies generally apply to all HCBS programs, regardless of the underlying authority, there is no inherent reason why states with HCBS programs authorized under Section 1115 should be subject to more onerous requirements when seeking to amend their programs than states with HCBS programs authorized under Section 1915(c). In fact, subjecting these programs to more onerous amendment processes is often counter to the best interests of HCBS recipients, their caregivers, and the provider community. CMS' response to the COVID-19 pandemic illustrated that there is no particular need for CMS to treat HCBS programs differently simply because of their underlying authority.

Hypothesis 2: The authority will provide TennCare with authority to support HCBS recipients during the public health emergency beyond what would have been permissible absent the demonstration authority.

This hypothesis examines whether demonstration amendment supported HCBS recipients during the COVID-19 PHE beyond what would have been permissible absent the demonstration amendment. The state's findings are organized by RQ below.

RQ 2.1 To what extent did the HCBS authorized under the demonstration authority result in greater supports to individuals receiving HCBS during the PHE?

The demonstration amendment resulted in HCBS recipients accessing HCBS to a greater degree during the COVID-19 PHE than they otherwise would have.

- **Targeted Wage Increases for HCBS Workers.** As of September 30, 2023, actual expenditures for targeted wage increases for HCBS workers totaled \$129,583,322. The increases to HCBS expenditure caps approved as part of this amendment helped to ensure that these wage increases could be implemented without HCBS recipients exceeding their designated expenditure caps.
- **Family Caregiver Supports.** As of October 20, 2023, 267 distinct member claims were paid, totaling \$349,316.09 in expenditures on behalf of TennCare members receiving HCBS who are routinely receiving unpaid support and assistance and who are not receiving residential supports. These increases were specifically targeted to purchase additional services that further enable the person's independence and/or support and sustain unpaid family caregivers.
- **Enabling Technology.** As of October 20, 2023, 171 CHOICES members were approved for Enabling Technology services, representing \$391,745.20 in actual expenditures.

All of these expenditures represent enhancements to the amount or scope of HCBS received by Medicaid beneficiaries beyond what would have otherwise been permissible under the TennCare demonstration.

G. Conclusions, Interpretations, Lessons Learned, and Recommendations

In conclusion, this demonstration authority effectively supported Tennessee in attaining the objectives of Medicaid and supporting recipients of Medicaid HCBS during the COVID-19 PHE. Through this demonstration authority, Tennessee expanded the amount and scope of HCBS available to beneficiaries during the COVID-19 PHE. These additional HCBS helped ensure ongoing access to essential care, supported the sustainability of members' home- and community-based living arrangements, and helped mitigate the risk of individuals transitioning to more institutional or congregate settings during the COVID-19 PHE. This demonstration amendment was one component of Tennessee's plan to enhance, expand, and strengthen HCBS under Section 9817 of the ARP, and it was one component of the state's larger response to the COVID-19 PHE. While it is difficult to isolate the effects of any single intervention on the outcomes observed, knowledgeable state officials believe that the flexibilities authorized under this demonstration authority were critical in supporting the state's overall response to the COVID-19 PHE. Since the end of the COVID-19 PHE and the expiration of this emergency demonstration authority,

Tennessee has worked with CMS to integrate these flexibilities into the “regular” (i.e., non-emergency) special terms and conditions that govern HCBS under the TennCare demonstration.

The COVID-19 PHE exacerbated a number of challenges involving the HCBS workforce. This demonstration authority demonstrated, in part, the importance of federal investment in state HCBS systems, combined with flexibility for states to design and implement initiatives intended to target the specific workforce challenges in their states. We recommend that the federal government (inclusive of Congress and the Executive Branch) build on this success and consider ways for the federal government to further support Medicaid HCBS in the future. As noted above, we also encourage CMS to consider ways to implement review and approval processes for HCBS programs authorized under 1115 demonstration authorities that are more similar to the processes used for HCBS programs authorized under 1915(c) authorities.

Appendix A
Evaluation Design



Division of TennCare

TennCare III Demonstration

Project No. 11-W-00369/4

Emergency Demonstration Amendment – Home- and Community-Based Services **Evaluation Design**

June 20, 2022

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A. General Background Information

On March 13, 2020, pursuant to Section 1135(b) of the Act, the Secretary of Health and Human Services invoked his authority to waive or modify certain requirements of Titles XVIII, XIX, and XXI of the Act as a result of the consequences of the COVID-19 pandemic. As a result, on March 22, 2020, the Centers for Medicare & Medicaid Services (CMS) announced that state Medicaid programs may apply for certain flexibilities intended to support state responses to the COVID-19 public health emergency under Section 1115 demonstration authority.

The American Rescue Plan Act of 2021 (ARP) also included a number of provisions intended to support state Medicaid programs in their response to the COVID-19 public health emergency. Among these provisions, Section 9817 of the ARP authorized additional federal funding to enhance, expand, or strengthen Medicaid home- and community-based services (HCBS). Pursuant to CMS guidance on ARP Section 9817 and after an extensive stakeholder input process, Tennessee submitted and subsequently received CMS approval of its plan to use ARP Section 9817 funding to enhance, expand, and strengthen Medicaid HCBS programs in Tennessee (“HCBS Spending Plan”).

Accordingly, Tennessee submitted a proposed amendment to the “TennCare III” section 1115(a) demonstration, under which most of the state’s HCBS are authorized. The purpose of this proposed demonstration amendment was to strengthen the state’s ability to support HCBS recipients during the COVID-19 public health emergency by implementing the activities identified in the state’s approved HCBS Spending Plan. These activities include:

1. Increasing certain expenditure caps for HCBS recipients enrolled in CHOICES and Employment and Community First CHOICES (when an individual cost neutrality test is not applicable),
2. Providing time-limited exceptions to the expenditure caps for HCBS recipients enrolled in CHOICES and Employment and Community First CHOICES who routinely receive unpaid support and assistance from family caregivers, and
3. Adding Enabling Technology as a benefit for HCBS recipients in CHOICES Groups 2 and 3.

This Evaluation Design will guide the federally required Final Report and is organized as follows:

- **Section A.** General Background Information
- **Section B.** Evaluation Questions and Hypotheses
- **Section C.** Methodology
- **Section D.** Methodological Limitations
- **Section E.** Preparing the Final Report

B. Evaluation Questions and Hypotheses

Figure 1 outlines the hypotheses and research questions (RQs) related to understanding the successes, challenges, and lessons learned in implementing the demonstration.

Figure 1. Hypotheses and Research Questions

Research Question (RQ)	
Hypothesis 1 – The demonstration will facilitate attaining the objectives of Medicaid.	
RQ 1.1	What activities did the state ultimately undertake to support HCBS recipients and their caregivers under the demonstration authority?
RQ 1.2	In what ways during the PHE did the demonstration support adding or strengthening supports for persons receiving HCBS?
RQ 1.3	What problems may have been faced by HCBS recipients in Tennessee during the PHE had the state not implemented the activities authorized under this demonstration that would have undermined the objectives of Medicaid, and how did the demonstration address or prevent these problems?

Research Question (RQ)	
RQ 1.4	What were the principal challenges associated with implementing the modifications to HCBS authorized under the demonstration authority?
RQ 1.5	What were the principal lessons learned for any future PHEs in implementing the demonstration flexibilities?
Hypothesis 2 – The demonstration will provide TennCare with authority to support HCBS recipients during the public health emergency beyond what would have been permissible absent the demonstration authority.	
RQ 2.1	To what extent did the HCBS authorized under the demonstration authority result in greater supports to individuals receiving HCBS during the PHE?

C. Methodology

This section provides details on the proposed methodology for the Evaluation Design, including anticipated data sources, analytic methods, and evaluation reporting periods.

Section C.1 summarizes the types of data that will be used to prepare the Final Report.

Section C.2 outlines TennCare’s proposed analytic methods for the Evaluation.

Section C.3 includes analytic tables that detail the evaluation approach for each hypothesis. The analytic tables outline the planned research questions, outcome measures, data sources, and analytic approaches.

1. Data Sources

The state will compile data for the Evaluation from qualitative and quantitative data sources including staff interviews and state and administrative data.

Document Review

The state will review relevant documents to understand the scope of activities undertaken under the authority of the demonstration amendment.

Staff Interviews

The state will conduct staff interviews to evaluate the extent to which the demonstration amendment facilitated attaining the objectives of Medicaid. Tennessee will identify TennCare interview participants based on involvement in the implementation of the HCBS activities authorized under the demonstration amendment.

Encounter Data

The state will use encounter data to understand and quantify the extent to which the demonstration amendment allowed HCBS recipients to access supports beyond what would have been available absent the demonstration amendment.

2. Analytic Methods

As part of the 1115 demonstration approval, CMS required Tennessee to develop a “simplified” Evaluation Design that does not undertake evaluations that would prove overly burdensome and impractical for data collection or analyses, but rather focuses on using qualitative methods and descriptive statistics to understand how this flexibility helped Tennessee respond to the COVID-19 PHE. As such, Tennessee will use qualitative and descriptive statistics methods to conduct the Evaluation.

Qualitative Analysis

The state will collect qualitative data through methods such as staff interviews. Where applicable, the qualitative data will be categorized and coded systematically. The state will use thematic analysis, which is a systematic and iterative data coding and analysis process that will allow the state to identify themes or patterns within the responses.

Descriptive Analyses

For research questions assessing service utilization, the state will use descriptive statistics to understand the extent to which the demonstration amendment allowed HCBS recipients to access additional supports.

3. Analytic Table

Figure 2 outlines the hypotheses, research questions, outcome measures, data sources, and analytic approaches for this Evaluation Design.

Figure 2. Analytic Table

Research Question	Outcome Measure(s)	Data Source(s)	Analytic Approach
Hypothesis 1 – The demonstration will facilitate attaining the objectives of Medicaid.			
RQ 1.1: What activities did the state ultimately undertake to support HCBS recipients and their caregivers under the demonstration authority?	- Type(s) of HCBS benefits authorized under the demonstration authority	- Document review	- Qualitative analysis
RQ 1.2: In what ways during the PHE did the demonstration support adding or strengthening supports for persons receiving HCBS?	- Benefits/successes of adding HCBS supports that would not have been realized if the demonstration authority were not in place	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.3: What problems may have been faced by HCBS recipients in Tennessee during the PHE had the state not implemented the activities authorized under this demonstration that would have undermined the objectives of Medicaid, and how did the demonstration address or prevent these problems?	- Description of how the demonstration authority addressed or prevented problems faced by HCBS recipients during the COVID-19 public health emergency	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.4: What were the principal challenges associated with implementing the modifications to HCBS authorized under the demonstration authority?	- Description of challenges (if any) related to implementing the additional HCBS authorized under the demonstration	- TennCare staff Interview(s)	- Qualitative analysis
RQ 1.5: What were the principal lessons learned for any future PHEs in implementing the demonstration flexibilities?	- Description of lessons learned for future PHEs in implementing the demonstration flexibilities	- TennCare staff Interview(s)	- Qualitative analysis
Hypothesis 2 – The authority will provide TennCare with authority to support HCBS recipients during the public health emergency beyond what would have been permissible absent the demonstration authority.			
RQ 2.1: To what extent did the HCBS authorized under the demonstration authority result in greater supports to individuals receiving HCBS during the PHE?	- Utilization rates of HCBS beyond the otherwise applicable expenditure caps during the COVID-19 PHE - Utilization rates for Enabling Technology by CHOICES 2 and 3 members	- TennCare encounter data	- Descriptive analysis

D. Methodological Limitations

Given the simplified nature of this Evaluation Design, Tennessee does not anticipate encountering extensive methodological limitations. However, there are a few limitations the state may encounter, which are described below.

- **Qualitative Analysis.** The main analytic approach TennCare will use in this Evaluation is qualitative analysis. There are a few widely known limitations to the qualitative analysis approach such as difficulty to demonstrate rigor, dependency of an individual's skills on research quality, and bias. TennCare will do its best to minimize these limitations, for example, by creating a scripted interview template.
- **Staff Interviews.** The State plans to conduct a limited number of TennCare staff interviews to evaluate RQs 1.2 – 1.5. The State will schedule interviews with the critical TennCare staff members that were involved in the development and implementation of the HCBS demonstration amendment. If any of the critical staff members involved in the development and implementation of the risk corridor depart TennCare prior to the interview, it may be difficult to fully evaluate RQs 1.2 – 1.5.

E. Preparing the Final Report

TennCare will submit to CMS a Final Report for this demonstration one year after the expiration of the COVID-19 PHE demonstration authority. The Final Report will include all applicable elements required by 42 CFR 431.428.