

# Tennessee

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## Medicaid and CHIP Overview

Medicaid is a health insurance program for certain groups of people with low incomes, including children, parents, disabled individuals, and elderly individuals.

The Children's Health Insurance Program (CHIP) provides coverage to low-income uninsured children with incomes that are too high to qualify for Medicaid but are less than or equal to the maximum CHIP income limits.

States can operate their CHIP program as an expansion of their Medicaid program, a separate program, or a combination (i.e., some children are covered through a separate state program, others through Medicaid).

**Table 1. Structure of CHIP program, April 23, 2010**

Separate State Program	Medicaid Expansion	Combination Program
		X

Source: Centers for Medicare and Medicaid Services

<http://www.cms.hhs.gov/LowCostHealthInsFamChild/downloads/CHIPStatePlanActivityMap.pdf>

**Table 2. Total Medicaid and CHIP enrollment**

Time Period	Medicaid Enrollment	CHIP Enrollment	Source
<i>National Data Sources</i>			
<b>June 2009</b>	1,266,259	67,980	The Kaiser Family Foundation, <a href="http://www.statehealthfacts.org">http://www.statehealthfacts.org</a>
<b>FY 2007 (Medicaid) FY 2008 (CHIP)</b>	1,447,100	63,619	The Kaiser Family Foundation, <a href="http://www.statehealthfacts.org">http://www.statehealthfacts.org</a>
<i>State Data Sources</i>			
<b>February 2010</b>	1,184,722	N/A	Bureau of TennCare, <a href="http://www.state.tn.us/tenncare/">http://www.state.tn.us/tenncare/</a>

*Note:* There are various ways to count the number of individuals enrolled in Medicaid or CHIP; different methods and time periods can result in slightly different counts. Counts from national data sources are included here for comparisons between states. When more recent counts are available on state websites, this information is also included.

**Table 3. Medicaid and CHIP income eligibility limits as a percent of Federal Poverty Level, December 2009**

	% FPL
<b>Medicaid</b>	
Infants age 0 – 1	185%
Children ages 1 – 5	133%
Children ages 6 – 19	100%
Parents*	129%
Childless Adults*	N/A
Pregnant Women	250%
Aged, Blind and Disabled <sup>†</sup>	75%
<b>Separate CHIP program</b>	250%

*Source:* The Kaiser Family Foundation, <http://www.statehealthfacts.org>

\*Income limits are for working parents and childless adults and are based on a family of three with one earner. This category includes “Medicaid look-alike” programs that are funded with state funds only.

<sup>†</sup>Income limits for the aged, blind, and disabled category are based on a single adult; limits may be slightly higher for couples.

*Federal matching rate for Medicaid and CHIP*

The federal government matches a certain percentage of state Medicaid and CHIP expenditures.

- The Medicaid matching rate (the Federal Medical Assistance Percentage, or FMAP) varies across states and from year to year. Each state’s rate is based on the state’s per capita income relative to the national average and can be no less than 50%.
- The American Recovery and Reinvestment Act of 2009 (ARRA) temporarily increased the Medicaid matching rate for all states for Fiscal Years 2009 and 2010.
- States receive an enhanced matching rate for CHIP.

**Table 4. Federal matching rate for Medicaid and CHIP, FY 2010**

Medicaid		CHIP
Baseline	Estimated actual rate after ARRA adjustments	
65.57%	75.37%	75.9%

Source: Kaiser Family Foundation, <http://www.statehealthfacts.org>

Note: More information on ARRA and the Medicaid matching rate is available at <http://www.statehealthfacts.org> under the Temporary Federal Medicaid Relief section.

**Table 5. Medicaid managed care enrollment as a percent of total Medicaid enrollment, June 30, 2008**

Comprehensive managed care plans	Any managed care plan
100%	100%

Source: Kaiser Family Foundation, <http://www.statehealthfacts.org>

Note: Percentages based on unduplicated counts of enrollees. Comprehensive managed care plans include commercial or Medicaid-only managed care organizations that provide comprehensive services to enrollees. Any managed care plans includes individuals receiving comprehensive or limited benefits from managed care plans and includes individuals enrolled in Primary Care Case Management programs.

*Resources for additional information on Medicaid and CHIP in Tennessee*

→ Tennessee’s Medicaid website: <http://www.state.tn.us/tenncare/>

→ Kaiser Family Foundation’s State Health Facts website: <http://www.statehealthfacts.org>

## Medicaid in Rural Areas

The information below defines “Rural” as residing in a non-metropolitan county and “Urban” as residing in a metropolitan county. These definitions are based on the Core Based Statistical Area (CBSA) designations from the Office of Management and Budget. Non-metropolitan counties include micropolitan counties and counties not in a CBSA.

**Table 6. Percent of residents enrolled in Medicaid by age and rurality, 2008-2009**  
(based on survey data)

Age	Urban % on Medicaid	Rural % on Medicaid
<b>0-18</b>	32.5	40.7
<b>19-64</b>	10	13.7
<b>65 and Over</b>	12	11.7

Source: Current Population Survey, 2008 - 2009

Note: Figures are the percent of rural and urban residents who reported that were ever enrolled in Medicaid during 2008 and 2009. The Current Population Survey is the most commonly used source of state-level health insurance coverage information. These data may vary from the administrative data collected from state websites in Table 7. Estimates from the Current Population Survey of the number of people covered by Medicaid are usually lower than those from other surveys and administrative data.

**Table 7. Medicaid enrollment and expenditures by rurality**  
(based on administrative data from the state’s Medicaid website)

	Urban	Rural
<b>I. Total Medicaid Enrollees</b> (Feb. 2010)	813,184	371,538
<b>II. Enrollees as Percent of Population</b> (Feb. 2010)	17.6%	22.3%
<b>III. Dollars Spent</b> (Feb. 2010)	\$4,072,099,639	\$2,043,100,040
<b>IV. Dollars Spent per Enrollee</b> (Feb. 2010)	\$879.88	\$1,224.48
<b>V. Managed Care Enrollees</b>	N/A	N/A

Sources and Notes:

I: Bureau of TennCare. News and Information, TennCare Statistics. February 2010.

<http://www.state.tn.us/tenncare/news/Stats/expendcounty.htm>

II: Figure is Total Enrollees/Total Population. Total Population based upon US Census Bureau data.

III: See I.

IV: See I.

### *Critical Access Hospital payment under Medicaid*

Under federal law, Critical Access Hospitals (CAHs) must receive cost-based reimbursement from Medicare. It is up to the individual states whether or not to provide CAHs with cost-based reimbursement for Medicaid. This chart identifies the form of payment a CAH receives from the state Medicaid program as of 2010.

**Table 8. Critical Access Hospital payment under Medicaid, 2010**

Care	Payment Type
<b>Inpatient</b>	At cost (100%)
<b>Outpatient</b>	At cost (100%)

*Source:* Bill Jolley, Vice President of Tennessee Hospital Association

For more information see:

[http://www.shepscenter.unc.edu/research\\_programs/rural\\_program/pubs/finding\\_brief/FB94.pdf](http://www.shepscenter.unc.edu/research_programs/rural_program/pubs/finding_brief/FB94.pdf)