

**RULES  
OF THE  
TENNESSEE DEPARTMENT OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES**

**CHAPTER 0465-01-02  
METHODOLOGY UTILIZED TO DETERMINE PAYMENTS TO SERVICE PROVIDERS  
(RATE STRUCTURE)**

**TABLE OF CONTENTS**

0465-01-02-.01	Purpose	0465-01-02-.12	Rate Setting Methodologies for Respite and Personal Assistance Services
0465-01-02-.02	Scope		
0465-01-02-.03	Definitions	0465-01-02-.13	Rate Setting Methodologies for Dental Services
0465-01-02-.04	Rate Setting Methodologies for Medical, Residential Services	0465-01-02-.14	Rate Setting Methodologies for Personal Emergency Response Systems
0465-01-02-.05	Rate Setting Methodologies for Intensive Behavioral Residential Services	0465-01-02-.15	Rate Setting Methodologies for Specialized Medical Equipment and Supplies
0465-01-02-.06	Rate Setting Methodologies for Residential and Supported Services	0465-01-02-.16	Rate Setting Methodologies for Environmental Modifications
0465-01-02-.07	Rate Setting Methodologies for Semi-Independent Living Services	0465-01-02-.17	Rate Setting Methodologies for Vision Services
0465-01-02-.08	Special Needs Adjustments	0465-01-02-.18	Rate Setting Methodologies for Independent Support Coordination
0465-01-02-.09	Rate Setting Methodologies for Day Services	0465-01-02-.19	Rate Setting Methodologies for Services Funded Exclusively by the State [Non-Waiver, State Funded (NWSF) Services]
0465-01-02-.10	Rate Setting Methodologies for Day Services – In Home Care		
0465-01-02-.11	Rate Setting Methodologies for Clinical Services		

**0465-01-02-.01 PURPOSE.**

- (1) This chapter establishes a rate setting methodology for Residential Day and other Services that are provided through the Department of Intellectual and Developmental Disabilities.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-302 & 303; 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg.515; T.C.A. § 4-5-208 et seq. and its applicable regulations concerning emergency rules; and, the “Reimbursement Rate” for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Administrative History:* Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.02 SCOPE.**

- (1) All of the rate methodologies used to determine payments to service providers set forth in these rules are subject to the availability of appropriations established in the TennCare budget for home and community based services provided under the State’s approved HCBS waivers for individuals with intellectual disabilities and may be adjusted by the Department or by TennCare as necessary to assure that expenditures for these services are within and do not exceed the budgeted amount for waiver services that year; and also the provisions of Title 33 and 34 of the Tennessee Code Annotated; and, Executive Orders of the State of Tennessee Nos. 9, 10, 21 and 23, dated February 7, 1996, October 14, 1996, July 29, 1999 and October 19, 1999, respectively.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 and 303; 4-5-208 et seq. and its applicable regulations concerning emergency rules; and, the “Reimbursement Rate” for Medical Services under DIDD federal waiver(s) for provision*

(Rule 0465-01-02-.02, continued)

of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.03 DEFINITIONS.**

- (1) As used in these rules:
  - (a) "Administrative Costs" are the allowable percentage of the service rate that includes, for example, the costs for administrative salaries and benefits, home office costs, office supplies and printing, phone and other communication, travel and conference, advertising, professional services, licensure and dues, legal and accounting fees, interest, depreciation, occupancy, general liability insurance, equipment and administrative vehicles.
  - (b) "Costs" are estimated calculations of the average expense incurred by a provider in 2004 based on information available at that time, and are not intended to fully account for every expense that may have been incurred by any particular provider at or since that time in delivering a waiver service. Costs will be reviewed on a periodic basis based on information provided in Uniform Cost Reports, and may be adjusted as determined by DIDD and TennCare, subject to the availability of funding in each year's Appropriation Bill.
  - (c) "Direct Service Costs" are the costs for direct service such as staff salaries and benefits, overtime, direct supervision wages and benefits, contracted direct service/temporary help, training, recruiting/advertising, drug testing, background checks, Hepatitis B and TB tests, and other costs for direct service staff bonuses and employee appreciation events.
  - (d) "Full Time Equivalent (FTE)" means the total cost for one direct support staff for forty hours..It includes direct service costs, non-direct program costs, administrative costs, and twenty(20) annual days of payment to cover service recipient absences.
  - (e) "Non-Direct Program Costs" is the allowable percentage of the service rate that includes the costs for multi-site supervisors and benefits, training, off site computer/file storage, depreciation/amortization, internal monitoring, agency case management, personal funds management, healthcare oversight, specific assistance to individuals-room and board, specific assistance to individuals-non-room and board, transportation of individuals, staff travel, facility maintenance, facility supplies, habilitation supplies.
  - (f) "Rate" is the amount paid per person to approved service providers for each unit of a DIDD service that is provided. A rate unit may be a portion of an hour, a day, a month, an item or a job, depending on the type of service.
  - (g) "Rate Levels" are the series of rates for residential, day and other services that are based on a service recipient's needs and the size or site of the service setting.
  - (h) "Rate Level Factor" is the multiplier applied to the FTE daily cost that reflects intensity of support need and number of persons in the home. Rate level factors were based onlicensure requirements for staffing and professional judgment of estimated hours of direct support staff assistance required for individuals at each rate level.
  - (i) "Rate Setting Methodology" is the manner in which the rates for residential, day and other services are calculated or determined.

(Rule 0465-01-02-.03, continued)

- (j) "Special Needs Adjustment" is an additional payment that may, within the discretion of the Division and subject to resource availability, be added to the residential rate for an individual in appropriate circumstances, e.g. periodic crisis that require additional support.
- (k) "Uniform Cost Report" is a report relating to costs and/or operating expenses/revenues completed by providers that is submitted as required by the Division of Intellectual Disabilities Services. The Uniform Cost Report is completed and transmitted in the manner, format and timeframe required by the Division.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 and 303; 4-5-208 et seq. and its applicable regulations concerning emergency rules; and, the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

**0465-01-02-.04 RATE SETTING METHODOLOGIES FOR MEDICAL, RESIDENTIAL SERVICES.**

(1) Medical Residential Services.

(a) For residential services that are shift-staffed, staff coverage is calculated as follows:

- 1. 168 hours per week—7 days at 24 hours per day.
- 2. The unit of service for these residential services is a day.

(b) The calculation of the daily cost per person for a Full Time Equivalent (FTE) is:

- 1. Allowable Hourly direct support staff wages plus % for benefits for the hourly cost for direct support staff.
- 2. Annual allowable salary for direct supervision plus % for benefits divided by four residents equals the cost per person per year.
- 3. Divide the cost per person per year by 52 weeks and by 168 hours to arrive at the hourly cost for supervision.
- 4. Add together the hourly cost for direct support staff and the hourly cost for supervision.
- 5. Multiply the result from Step four by one and the % allowed for non-direct program costs.
- 6. Multiply the result from Step five by one and the % allowed for administrative costs to arrive at the hourly cost for coverage.
- 7. Multiply the hourly cost for an FTE by 168 hours to arrive at the weekly cost for coverage.
- 8. Divide the weekly cost by 7 days to arrive at the daily cost for coverage.
- 9. Divide the daily cost by allowable FTEs to arrive at the daily FTE cost per person.

(Rule 0465-01-02-.05, continued)

- (c) Calculation for the daily rate per person is:
1. For each Rate Level and Home Size, multiply the daily per person FTE cost by the rate level factor.
  2. Divide the result of Step one by the facility size.
  3. Multiply the result of Step two by 385 (to allow for 20 absent days).
  4. Divide the result of Step three by 365 to arrive at the daily rate.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare.* **Administrative History:** *Original rule filed December 12, 2013; effective March 12, 2014.*

**0465-01-02-.05 RATE SETTING METHODOLOGIES FOR INTENSIVE BEHAVIORAL RESIDENTIAL SERVICES.**

- (1) Includes Behavioral Analyst Services.
- (2) For residential services that are shift staffed, staff coverage is calculated as follows:
  - (a) 168 hours per week---7 days at 24 hours per day.
  - (b) The unit of service for these residential services is a day.
- (3) The calculation of the daily cost per person for a Full Time Equivalent (FTE) is:
  - (a) Allowable hourly direct support staff wages plus % for benefits for the hourly cost for direct support staff.
  - (b) Annual allowable salary for direct supervision plus % for benefits divided by four residents equals the cost per person per year.
  - (c) Divide the cost per person per year by 52 weeks and by 168 hours to arrive at the hourly cost for supervision.
  - (d) Add together the hourly cost for direct support staff and the hourly cost for supervision.
  - (e) Multiply the result from Step four by one and the % allowed for non-direct program costs.
  - (f) Multiply the result from Step five by one and the % allowed for administrative costs to arrive at the hourly cost for coverage.
  - (g) Multiply the hourly cost for an FTE by 168 hours to arrive at the weekly cost for coverage.
  - (h) Divide the weekly cost by 7 days to arrive at the daily cost for coverage.

(Rule 0465-01-02-.05, continued)

- (i) Divide the daily cost by allowable FTEs to arrive at the daily FTE cost per person.
- (4) Calculation for the daily rate per person is:
- (a) For each Rate Level and Home Size, multiply the daily per person FTE cost by the rate level factor.
  - (b) Divide the result of Step (a) by the facility size.
  - (c) Multiply the result of Step (b) by 385 (to allow for 20 absent days).
  - (d) Divide the result of Step (c) by 365 to arrive at the program costs.
  - (e) Add an allowance for BA services to the program component to the step above (d) to determine the daily rate.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Tennessee Public Chapter 1100, June 23, 2010. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.06 RATE SETTING METHODOLOGIES FOR RESIDENTIAL AND SUPPORTED LIVING.**

- (1) Residential Habilitation and Supported Living (Shift-Staffed) Model.
  - (a) For residential services that are shift-staffed, staff coverage is calculated as follows:
    1. 138 hours per week—5 days at 18 hours per day and 2 days at 24 hours per day is equal to one week
    2. The unit of service for these residential services is a day.
  - (b) The calculation of the daily cost per person for a Full Time Equivalent (FTE) is:
    1. Hourly direct support staff wages plus % for benefits for the hourly cost for direct support staff.
    2. Annual salary for direct supervision plus % for benefits divided by four residents equals the cost per person per year.
    3. Divide the cost per person per year by 52 weeks and by 138 hours to arrive at the hourly cost for supervision.
    4. Add together the hourly cost for direct support staff and the hourly cost for supervision.
    5. Multiply the result from Step four by one and the % allowed for non-direct program costs.
    6. Multiply the result from Step five by one and the % allowed for administrative costs to arrive at the hourly cost for coverage.

(Rule 0465-01-02-.06, continued)

7. Multiply the hourly cost for an FTE by 138 hours to arrive at the weekly cost for coverage.
8. Divide the weekly cost by 7 days to arrive at the daily cost for coverage.
9. Divide the daily cost by allowable FTEs to arrive at the daily FTE cost per person.

(c) Calculation for the daily rate per person is:

1. For each Rate Level and Home Size, multiply the daily per person FTE cost by the rate level factor.
2. Divide the result of Step one by the facility size.
3. Multiply the result of Step two by 385 (to allow for 20 absent days).
4. Divide the result of Step three by 365 to arrive at the daily rate.

(2) Supported Living-Companion Model

(a) For non-shift staffed, companion model the unit of service is a day. The calculations are as follows:

(b) Calculate the daily rate per person.

1. Multiply the annual stipend by one and the % for benefits.
2. Add the companion room and board allowance.
3. Add the number of hours per year at the hourly rate for relief staff divided by 365 days.
4. Add costs in steps one through three.
5. Multiply the result of step four by one and the % for non-direct program costs.
6. Multiply the result of step five by one and the % for administrative costs.
7. Divide the result of step six by 365.
8. Multiply the result of step seven by 385 (to allow for 20 absent days).
9. Divide the result of step eight by 365 to arrive at the daily rate.

(3) Family Model for Residential Services

(a) Family Model Residential Services are those provided in a family home under the supervision of a residential services agency. The unit of service is a day.

(b) Calculate the daily rate per person.

1. Multiply the annual stipend by one and the % for benefits.
2. Add the number of hours per year at the hourly rate for relief staff divided by 365 days.

(Rule 0465-01-02-.06, continued)

3. Add direct supervision at annual salary plus % for benefits divided by 10 individuals divided by 365 days.
4. Add costs in steps 1 through 3 above.
5. Multiply the result of step four by one and the percent for non-direct program costs.
6. Multiply the result of step five by one and the percent for administrative costs.
7. Divide the result of step six by 365 days.
8. Multiply the result of step seven by 385 days (to allow for 20 absent days).
9. Divide the result of step eight by 365 days to arrive at the daily rate.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.07 RATE SETTING METHODOLOGIES FOR SEMI-INDEPENDENT LIVING SERVICES.**

- (1) Calculation for Semi-Independent Living Services is:
  - (a) The unit of service for these residential services is a month.
  - (b) Average monthly hours of service were used to calculate the rate.
  - (c) The average monthly hours are inclusive of on-call services.
  - (d) The PA quarter hour reimbursement was used in determining the monthly rate.
- (2) Take amount in Step above and add an allowance for transportation costs to determine the maximum rate.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Tennessee Public Chapter 1100, June 23, 2010. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.08 SPECIAL NEEDS ADJUSTMENTS.**

- (1) An adjustment up to an additional thirty-five dollars (\$35.00) per day is available to Residential Habilitation and Supported Living Levels 1-4, for homes with 1-4 persons.
- (2) An adjustment of twenty dollars (\$20.00) per day is available to Residential Habilitation homes with 5 or more people except for reasons of a vacancy in the home.

(Rule 0465-01-02-.08, continued)

- (3) This adjustment may be used for additional staff coverage or higher wages for staff.
- (4) A special needs adjustment does not change the rate level designated for the individual, but adjusts the rate level as a result of one or more of the following circumstances:
  - (a) The individual has a history of significant behavioral or psychiatric problems such as DSM-IV diagnosis, violent acting out, serious self-injury or danger to others that are now not apparent due to the design or intensity of services being received or the person has a situation that is unique and results in the need for additional resources.
  - (b) Less intensive services will likely result in recurrence of previous problems. The Regional Office must review the special adjustment at least annually.
  - (c) The individual is in circumstances that are time limited but that require support(s) at a higher level than described by the Level. (For example, the person has had a serious illness, injury, or surgery that requires more support while he is recovering than the Level describes.) A special adjustment may be approved for up to ninety (90) days and may be extended for an additional ninety (90) days.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 and 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and, the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.09 RATE SETTING METHODOLOGIES FOR DAY SERVICES.**

- (1) Calculation for day services is:
  - (a) The unit of service is a day.
  - (b) For day services staff coverage is calculated for 6 hours per day for 243 days per year.
- (2) The cost models are calculated with the following direct service cost factors:
  - (a) Non-direct program costs at the allowable percentage.
  - (b) Administrative costs at the allowable percentage.
  - (c) Transportation costs per day per person.
  - (d) Twenty (20) leave days.
  - (e) Rate Level Factor based on service setting and the need of the individual.
  - (f) Day Service settings (except in In Home Day Services) include day habilitation facilities, community locations and community employment locations.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules;*

(Rule 0465-01-02-.09, continued)

and, the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.10 RATE SETTING METHODOLOGIES FOR DAY SERVICES – IN HOME DAY.**

- (1) Calculation for day services – home day per person is:
  - (a) The unit of service is a day.
  - (b) For day services staff coverage is calculated for 6 hours per day for 243 days per year.
- (2) The cost models are calculated with the following direct service cost factors:
  - (a) Non-direct program costs at the allowable percentage.
  - (b) Administrative costs at the allowable percentage.
  - (c) Twenty (20) leave days.
  - (d) Rate level factor based on service setting and the need of the individual.
  - (e) This Day Service setting is limited to the home and has no transportation cost included.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Tennessee Public Chapter 1100, June 23, 2010. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

**0465-01-02-.11 RATE SETTING METHODOLOGIES FOR CLINICAL SERVICES.**

- (1) The unit for therapy and nursing services is a quarter hour.
- (2) The Unit for behavioral services is one quarter (1/4) of an hour.
- (3) The rate for clinical services is based on comparison with national rates of payment and comparable rates of payment within the State for like services.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and, the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*

**0465-01-02-.12 RATE SETTING METHODOLOGIES FOR RESPITE AND PERSONAL ASSISTANCE SERVICES.**

- (1) The unit for respite and personal assistance services may be one quarter (1/4) of an hour or daily rates as determined by DIDD.

(Rule 0465-01-02-.12, continued)

- (2) The determination of rates in this section (.09) is calculated based on units of one quarter (1/4) of an hour for one (1) staff person or of one day of allowable direct service costs for one (1) staff person and a percentage of administrative costs. Reimbursement for two (2) staff to deliver services to one (1) service recipient at the same time is not covered under any circumstances.
- (3) There will be one (1) maximum rate for one-quarter (1/4) of an hour of Personal Assistance.
- (4) There will be one (1) maximum rate for one-quarter (1/4) of an hour of Respite services.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Administrative History: Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.13 RATE SETTING METHODOLOGIES FOR DENTAL SERVICES.**

- (1) Dental Services rates are those set by TennCare for reimbursement of Medicaid funded dental care.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Administrative History: Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.14 RATE SETTING METHODOLOGIES FOR PERSONAL EMERGENCY RESPONSE SYSTEMS.**

- (1) Rates paid are the usual and customary rates for installation and monitoring set by the company providing the service.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. Administrative History: Original rule filed December 12, 2013; effective March 12, 2014.*

#### **0465-01-02-.15 RATE SETTING METHODOLOGIES FOR SPECIALIZED MEDICAL EQUIPMENT AND SUPPLIES.**

- (1) Rates paid are the usual and customary costs for the equipment or supplies.

**Authority:** *Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of*

(Rule 0465-01-02-.15, continued)

services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.16 RATE SETTING METHODOLOGIES FOR ENVIRONMENTAL MODIFICATIONS.**

- (1) Rates paid are the usual and customary costs for the modification.

**Authority:** Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.17 RATE SETTING METHODOLOGIES FOR VISION SERVICES.**

- (1) Rates paid are a combination of the usual and customary charges for examination and corrective lenses.

**Authority:** Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.18 RATE SETTING METHODOLOGIES FOR INDEPENDENT SUPPORT COORDINATION SERVICES.**

- (1) Current rates in this category are found at Rule 0620-06-03-.04 (h) and were derived after consideration of provider input, resource availability as well as system service requirements. Future changes in amounts paid for this service will be made utilizing such tools as: consultation with stake-holders (e.g. Independent Support Coordinators, Independent Support Coordination Agencies/Organizations), review of similar services in other states, market conditions, and system needs.

**Authority:** Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October 19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.

**0465-01-02-.19 RATE SETTING METHODOLOGIES FOR SERVICES FUNDED EXCLUSIVELY BY THE STATE [NON-WAIVER; STATE FUNDED (NWSF) SERVICES].**

- (1) Rates paid are discretionary and based upon Service Recipient need, limited by system and service requirements and subject to DIDD funding and resource availability.

**Authority:** Tenn. Code Ann. (T.C.A.) §§ 33-1-309 (d); 33-1-204; Executive Orders of the State of Tennessee Nos. 9, 10, 21 & 34 dated February 7, 1996, October 14, 1996, July 29, 1999, and October

(Rule 0465-01-02-.19, continued)

*19, 1999 respectively; State of Tennessee Delegated Purchase Authority DP 10-28649-00 Reg. 515; T.C.A. §§ 33-1-302 & 303, 4-5-208 et seq. and its applicable regulations concerning emergency rules; and the "Reimbursement Rate" for Medical Services under DIDD federal waiver(s) for provision of services as administered by TennCare. **Administrative History:** Original rule filed December 12, 2013; effective March 12, 2014.*