Department of State Division of Publications

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Nashville, TN 37243 Phone: 615-741-2650 Fax: 615-741-5133

Email: register.information@tn.gov

For Department of State Use Only

Sequence Number:

Rule ID(s):

File Date:

Effective Date:

04/25/2012

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

| Agency/Board/Commission: | Tennessee Department of Finance and Administration | | |
|--------------------------|--|--|--|
| Division: | Bureau of TennCare | | |
| Contact Person: | George Woods | | |
| Address: | 310 Great Circle Road | | |
| Zip: | 37243 | | |
| Phone: | (615)507-6446 | | |
| Email: | George.woods@tn.gov | | |

Revision Type (check all that apply):

- X Amendment
- New
- ___ Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

| Chapter Number | Chapter Title | |
|-----------------------|-------------------|--|
| 1200-13-14 | TennCare Standard | |
| Rule Number | Rule Title | |
| 1200-13-1404 | Covered Services | |

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to http://state.tn.us/sos/rules/1360/1360.htm)

Subparagraph (d) of Paragraph (1) of Rule 1200-13-14-.04 Covered Services is amended by deleting the reference to paragraph (20) in the first sentence and replacing it with a reference to paragraph (29) so as amended Subparagraph (d) shall read as follows:

(d) The MCC shall be allowed to provide cost effective alternative services as defined in paragraph 1200-13-14-.01(29). Cost effective alternative services are not reimbursable in any circumstances other than those described in that paragraph.

Statutory Authority: T.C.A. §§ 4-5-202 and 71-5-105.

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the (board/commission/other authority) on 03/16/2012 (date as mm/dd/yyyy), and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

| | Date: | 3/16/2012 | | |
|--|------------------|-----------------|--|--|
| STATE OF TENNESSEE NOTARY PUBLIC | Signature: | Dig Cl | | |
| | Name of Officer: | Darin J. Gordon | | |
| | | | | |
| Solve Consubscribed and sworn to before me on: | | | | |
| Notary Public Signature: | | | | |
| My commission expires on: 91312012 | | | | |

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Robert E. Cooper, Jr. Attorney General and Reporter

Date

Department of State Use Only

Filed with the Department of State on:

Effective on:

Tre Hargett Secretary of State

SS-7038 (September 2011)

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The rule has no effect on small businesses.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (http://state.tn.us/sos/acts/106/pub/pc1070.pdf) of the 2010 Session of the General Assembly)

(Insert statement here)

The rule is not projected to have an impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

(A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The rule is being promulgated to update a rule reference contained in the rule.

(B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

The rule is lawfully adopted by the Bureau of TennCare in accordance with Tennessee Code Annotated §§ 4-5-202 and 71-5-105.

(C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

The persons, organizations, corporations or governmental entity most directly affected by this rule are the TennCare Managed Care Organizations and the Bureau of TennCare, Tennessee Department of Finance and Administration.

(D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

The rule was reviewed and approved by the Tennessee Attorney General. No additional opinion was given or requested.

(E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

The promulgation of this rule is not anticipated to have an effect on state and local government revenues and expenditures.

(F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Darin J. Gordon Director, Bureau of TennCare

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Darin J. Gordon Director, Bureau of TennCare

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

310 Great Circle Road Nashville, TN 37243 (615) 507-6443 Darin.J.Gordon@tn.gov (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

GW10212073