

## Stop the Block! Tell the Federal Government to Dump the TennCare Block Grant.

### TennCare affects us all.

TennCare is Tennessee’s version of Medicaid, the nation’s health care safety net for 75 million Americans. In Tennessee, the program provides health and mental health care for 1.5 million Tennesseans. It covers half of all Tennessee children, half of all births, two-thirds of nursing home care and most of the funding for the fight against the opioid epidemic. TennCare is a lifeline for the elderly and people with disabilities. It provides \$8 billion in federal funding to sustain the health system on which all Tennesseans rely. Changes to TennCare affect *all* Tennesseans.

And, what happens in Tennessee doesn’t stay in Tennessee. It affects Medicaid in other states, too.

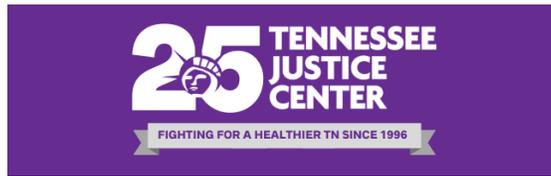
### What’s the TennCare Block Grant?

TennCare operates under a federal agreement known as a “waiver.” In the waning days of the Trump administration, and without giving the public a chance to comment, the federal government allowed the state to make sweeping changes to TennCare. The new waiver is called “TennCare III,” and it locks in the block grant for the next ten years. The waiver hurts vulnerable Tennesseans and establishes a dangerous precedent that threatens the future of Medicaid.

The Tennessee Justice Center and allies sued to stop this destructive, uninformed new waiver. In response, the [federal government is now seeking public comment on TennCare III until September 9, 2021](#). The federal Centers for Medicare and Medicaid Services (CMS) will review the comments and make a new decision whether to re-approve the TennCare III waiver as it is now, or to make changes.

### So, what’s so bad about the Block Grant?

- For over half a century, Medicaid has been a reliable safety net for hundreds of millions of Americans because federal payments have increased as needed to meet rising program costs. This has been crucial, allowing Medicaid to expand during recessions or pandemics and to keep pace with medical inflation. The TennCare III Waiver caps future federal contributions to TennCare’s costs, radically reversing the federal government’s commitment to meet Medicaid’s future needs. [This unprecedented change, which state and federal officials have touted as a “block grant,” threatens to erode the safety net over time as federal support no longer keeps up with rising costs.](#) To entice Tennessee to accept the cap on federal funding, the waiver allows Tennessee to cut TennCare costs and divert most of the “savings” to non-Medicaid uses. This dangerous waiver enables Tennessee’s state government – which has [a long record of misusing federal funds](#) – to erect red tape barriers to care and save money at the expense of TennCare patients and the health care system on which all Tennesseans rely.
- Medicaid recognizes that many people only become eligible when they get seriously ill and cannot complete the application process while undergoing treatment. When applicants are approved for



coverage, Medicaid goes back and covers any medical bills incurred for up to three months before they applied. But the Block Grant allows TennCare to only provide retroactive coverage for mothers and children. That leaves many families with huge medical debts, and safety net providers unpaid. TennCare should cover recent medical bills of *all* eligible TennCare applicants, as the law requires.

- The waiver forces children with special health care needs to get their care through commercial managed care organizations (MCOs). [MCOs fail to adequately care for these children](#), and instead use red tape to deny them access to the specialists and complex care they need. Children with special health care needs shouldn't be forced into MCOs and should be able to get care directly from providers capable of meeting their needs.
- The Block Grant allows the state to cut access to prescription drugs and keep most of the savings. Getting needed medicines already requires TennCare patients and the doctors to run a bureaucratic obstacle course. TennCare shouldn't be rewarded for making access to needed care even more difficult. Other states are sure to demand the same authority if the TennCare III waiver is allowed to stand.
- The TennCare III waiver endangers people with serious illness and disabilities, by encouraging the state to cut access to the most costly care, which is the very care required for the sickest patients.
- TennCare III will widen gaps in health and access to care – between [white and Black](#), [urban and rural](#).

**Be a health justice champion! Submit a comment. It's easy, it's fast, and it matters!**

The comment period offers everyone who cares about justice and equity in our health care system a chance to oppose the Block Grant. CMS must consider all public comments, which will form a record that CMS and the courts will rely upon to decide the fate of the Block Grant. It only takes a few minutes to submit a comment that will help protect vulnerable Tennesseans – and America's health care safety net.

To submit your comment, go to: <https://bit.ly/blockgrantcomment>.

If you would like support in drafting your comment, please contact Kinika Young at [kyoung@tnjustice.org](mailto:kyoung@tnjustice.org) or 615-846-4709.