**Tennessee**

**Sources of Insurance Coverage**

*Source: KFF, Health Insurance Coverage of the Total Population, 2022*

**Medicare**

In Tennessee, **just over 1 million** residents are enrolled in Medicare, 15.1% of the state’s population (2022 data). Of those, **54%** are enrolled in a Medicare Advantage plan. For Tennesseans in the traditional Medicare program, the Tennessee Department of Commerce and Insurance regulates Medicare supplemental plans. Information about insurers authorized to sell Medicare supplemental policies is available [here](#).

**Medicaid and the Children’s Health Insurance Program (CHIP)**

In Tennessee, **over 1.3 million people** are enrolled in Medicaid or CHIP, 19% of the population (2022 data). Tennessee has chosen not to adopt the Affordable Care Act’s expansion of Medicaid.

Tennessee’s Medicaid program is called TennCare and benefits for all enrollees are provided through private managed care organizations (MCOs). These insurers have contracts with [the Division of TennCare](#).
The state’s program does not cover any childless adults, and it covers low-income parents with household income up to only 82% of the federal poverty level (FPL). Approximately 124,000 adults are in the “coverage gap,” meaning their income is too high for Medicaid eligibility but too low to qualify for Marketplace premium tax credits. The state’s Medicaid and CHIP programs cover pregnant women up to 255% of FPL.

In Tennessee, low-income children are covered both through Medicaid and through a separate CHIP program. Through Medicaid, Tennessee covers children ages 0-1 in households with income up to 195% FPL, children ages 1 to 5 in households with income up to 142% FPL, and children ages 6 to 18 in household incomes up to 133% FPL. Through CHIP, Tennessee extends coverage to children in households with income up to 255% FPL. Approximately 46% of all births in Hawaii are covered by Medicaid.

**Employer-sponsored insurance**

In Tennessee, 3.3 million people are covered by employer-sponsored insurance (ESI), or 48.2% of the total state population (2021 data). Approximately 48.8% of Tennessee employers offer ESI. However, offer rates vary significantly by size of firm. In Tennessee, 98.6% of large firms (50 or more employees) offer ESI, while only 27% of small employers offer ESI.

In Tennessee, approximately 40.9% of private sector businesses that offer health insurance self-fund at least one health plan. For large firms (50 or more employees) that offer health insurance, 50.1% self-fund at least one health plan.

**Individual Market Insurance**

Approximately 6.6% of Tennesseans are enrolled in the individual market (2022 data). Of those, in 2023, 348,097 Tennesseans selected a plan through the Affordable Care Act (ACA) Marketplace, which in Tennessee is run by the federal government.

Individual market health insurance (both on- and off-Marketplace) is regulated under state law. Tennessee enforces the Affordable Care Act’s consumer protections through the Tennessee Department of Commerce and Insurance.

**Other Coverage**

Some Tennesseans are enrolled in other forms of insurance coverage, such as coverage for the military (TRICARE or U.S. Veterans Administration), which covers 1.8%, or 122,100 Tennesseans.

**The Uninsured**

Approximately 9.4%, or 648,200 Tennesseans are uninsured (2022 data). Tennessee’s uninsured rate falls above the national average of 8.0% uninsured. Among the non-elderly, Hispanic people have the highest uninsured rate (30.8%), followed by Black Americans (11%), and Asian American residents (10.3%). White residents have the lowest uninsured rate (9.3%). Lack of insurance is also highly correlated with income. Approximately 20.4% of non-elderly people under 100% FPL are the uninsured in Tennessee, while just 5% of non-elderly people over 400% FPL are uninsured.
State Regulators: Tennessee

CMS is responsible for the oversight of Medicare Advantage plans. The CMS Regional Office for Tennessee is based in Atlanta. Contact information is available here.

Tennessee Department of Commerce and Insurance (TDCI)
The Tennessee Department of Commerce and Insurance (TDCI) regulates the business of insurance in the state of Tennessee. For health insurance companies, Tennessee is responsible for:

- **Licensure**: All insurers operating in the state must demonstrate that they are financially solvent and capable of paying claims. After initial licensure, companies must file financial information with TDCI on a regular basis. The state provides a lookup tool for state-licensed insurers.
- **Form review**: TDCI reviews health insurers’ contracts and covered benefits to ensure that they comport with state law, including state benefit mandates and network adequacy standards. TDCI also enforces consumer protections under the ACA and other federal laws.
- **Rate review**: TDCI collects data from health insurers about their projected premium increases or decreases and may approve or reject the proposed rate changes. Current rate information is available here.
- **Marketing**: TDCI is responsible for oversight of insurers’ marketing tactics and discouraging unfair or deceptive tactics. The agency also licenses and provides oversight over insurance agents and brokers. The state provides a lookup tool for state-licensed agents and brokers and information about disciplinary actions taken against any agent or broker here.
- **Enforcement**: TDCI has authority to enforce state and federal insurance laws. Their enforcement tools can range from requesting a corrective action, issuing a cease and desist order, imposing fines, or seeking an injunction. Consumers can file a complaint with TDCI here. Financial and market conduct examination reports can be found here. A January 2023 report to the legislature provides a detailed explanation of TDCI’s activities to ensure compliance with mental health parity laws.
- **Appeals**: Under the Affordable Care Act, insurers must provide enrollees with the right to an external, independent appeal. TDCI publishes a list of approved external review organizations that insurers can use and provides general health insurance consumer education materials here.

TDCI is also home to the TennCare (Medicaid program) Oversight Division, which examines and monitors managed care companies. The division ensures that the companies are in compliance with their statutory and contractual requirements related to financial responsibility, stability and integrity. The division publishes a variety of reports including MCO financial and
examination reports and prompt pay compliance reports. The division also allows providers to file complaints or dispute claim handling by MCOs.

Division of TennCare
The Division of TennCare (TennCare) runs the state’s Medicaid program. The Division contracts with a number of managed care organizations to provide care to all of the state’s Medicaid recipients. TennCare publishes certain information on the state’s Medicaid and CHIP programs here. Published information includes annual reports by TennCare, enrollment data, MCO quality data, and enrollee surveys.

As mentioned above, TDCI is responsible for oversight of private managed care companies contracting with the state to provide Medicaid services.

The Tennessee Attorney General’s Office
The Tennessee Attorney General’s Office represents the state in court when there is an action against an insurance company, entity, or individuals engaged in potentially fraudulent activity. The Consumer Protection Division within the Attorney General’s Office enforces consumer protection and antitrust laws. Consumers can file a complaint here.

Other Sources of Information
Health Insurance Navigators, Agents and Brokers (collectively, “consumer assisters”)
Although Tennessee’s health insurance Marketplace is run by the federal government, CMS provides grants to local organizations called “Navigators” that are tasked with assisting consumers to determine eligibility for subsidized coverage programs and helping them with post-enrollment questions. Tennessee-based health insurance agents and brokers perform similar consumer assistance functions, and are generally paid on a commission basis. These consumer assisters can be helpful sources of information about health insurance and the challenges consumers face. They can be located through the “Find Local Help” search portal on HealthCare.gov.