



Arc Guide to Medical Assistance TEFRA

The Medical Assistance-TEFRA (Tax Equity and Fiscal Responsibility Act) program provides Medical Assistance (MA) benefits for children with disabilities who do not otherwise qualify for MA due to their parents' income being above MA program limits. MA-TEFRA funds disability programs, services and therapies that private insurance often does not cover or only partially covers.

The child's eligibility for MA-TEFRA is based on a "certified disability" and additional requirements listed below. Parents pay a monthly fee based on the Adjusted Gross Income (AGI) from their most recent federal tax return in order for their children to access services and supports through MA.

Eligibility requirements

- Live with at least one parent
- Under age 19
- Certified disabled by the State Medical Review Team (SMRT) or the Social Security Administration (SSA)
- Require a level of care to live at home that is comparable to that provided in a hospital, nursing home or group home for individuals with disabilities
- The costs for the child to remain at home are less than those at a hospital, nursing home or group home

How to apply

Apply online at www.mnsure.org (preferred) or by paper using the "MNsure Application for Health Coverage and Help Paying Costs (DHS 6696)."

- List the child/ren as the only household member/s applying
- Answer yes to the disability question for the child ("Does anyone applying have a physical or mental health condition that limits the ability to work or perform activities of daily living?")
- Once online application is submitted, child will be "denied" for any programs OR eligible for a Qualified Health Plan (commercial health plan sold through MNsure's website) due to parental income and household size



- Parents must complete and submit the "Supplement to the MNsure Application (DHS 6696A)" to their county of residence in order to move the child's MA-TEFRA application forward

Even though what is described above is the state's policy on how to apply, counties may not want families to apply through MNsure and may ask that they use the Application for Certain Populations instead. We recommend families contact their county financial unit to ask how they want them to apply for MA-TEFRA; families can also contact The Arc and speak with a Navigator.

Determination of disability by SMRT: A county financial worker reviews the initial application and refers the case to SMRT once the worker determines the child's initial eligibility for the program. Parents receive a SMRT welcome letter in the mail, meaning the case is at the State. The SMRT contacts parents by phone or mail when a SMRT case manager is assigned and the case is being reviewed. Parents submit disability documents directly to the State. **Please refer to the Arc Guide to State Medical Review Team for more detailed information, including the list of required documentation for the SMRT process.**

Once all disability documentation is received, the SMRT case manager:

- reviews medical, psychological and school records to determine if the disability meets SSA's disability criteria
- reviews the records to determine the level of care the child needs
- approves ("certifies as disabled") or does not certify the child as disabled
- sends the county and parents an approval or denial notice

Benefits through MA-TEFRA

Refer to "Minnesota Health Care Programs Summary of Coverage, Cost Sharing and Limits (DHS 3860)" for a complete listing of benefits and services covered by MA.

Parental Fees

Parents are assessed a monthly parental fee.

- There are two ways to get an estimate: online, using the Parental Fee Estimator or by calling the Parental Fees Unit at (651) 431-3806. *It is*



recommended that parents get an estimate of their fee before applying for MA-TEFRA.

- Parents with an Adjusted Gross Income falling at 275% of the Federal Poverty Level and above will pay a fee.
- Parents who are divorced and/or not living together may each be assessed a fee.
- Refer to "Important Notice and Parental Fee Worksheet (DHS 2977)" for more detailed information about fees.

How to pay the Parental Fee

After you get your parental fee bill, you can pay online or by mail.

Online

You can pay the parental fee online from your checking account or by using a credit card. You can make a one-time payment or set up recurring payments so that fees for future months are automatically withdrawn.

By mail

Do not mail cash. Send your check or money order to:

Department of Human Services (DHS)

P.O. Box 64835

St. Paul, MN 55164-0835

Contact the administrator of your Flexible Spending Account (FSA) or Health Reimbursement Account (HRA) to find out if they can be used to pay the parental fee.

Access to private health insurance

Parents must report if the child has other health coverage or could be covered under someone else's insurance when first applying for and renewing the child's MA-TEFRA coverage. If the child's private insurance enrollment changes, the parent must report the change to their county financial unit.



MA-TEFRA may cover the child's portion of the cost of the private insurance coverage if it is determined to be "cost effective" by the county agency. (See the [Arc Guide to Cost Effective Health Insurance](#).) Access to or enrollment in private health insurance is not a barrier to eligibility for MA-TEFRA.

Have questions? Need more information?

If your child has an Intellectual or Developmental Disability, contact The Arc Minnesota. Navigators can explain MA-TEFRA, answer questions about parental fees and describe the SMRT process. Navigators can provide you with tools, tips and resources so you can navigate the MA- TEFRA application process and know what to expect. Navigators are also available for troubleshooting and coaching if you have difficulty at any point in the application process.

For further information or advocacy services, contact The Arc Minnesota at 952-920-0855 or toll-free at 833.450.1494 or visit www.arcminnesota.org. (Please note: *This document is not legal advice, and should not be construed as such. Thus, no information herein should replace the sound advice of an attorney.*)

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