

TEFRA WAIVER PROGRAM

TEFRA Fact Sheet



The TEFRA Waiver is a cost sharing Medicaid program that enables certain children with a disability to have care in their homes rather than in an institution.

Medical Evaluation Process

Disability, Medical Necessity, and Appropriateness of Care are separate determinations that the TEFRA child must meet. Each determination is described below.

Disability

A child must meet Social Security Administration's (SSA) definition of disabled. If the child received Supplemental Security Income (SSI) within one year prior to applying for TEFRA and lost benefits due to reasons other than disability, the child meets the disability requirements. If SSA has not established disability, a Medical Review Team (MRT) disability review must be completed. Your local DHS office will request the review for you.



Medical Necessity

Medical necessity is a separate determination from the disability determination. For medical necessity, the child must have a medical condition that would require institutional placement in a hospital, a skilled nursing facility, an Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) facility, an Alternative Home placement or be at risk for future institutional placement.

Medical necessity is also based on services that improve, maintain or prevent regression of the child's health status.

Appropriateness of Care

Medical services that are appropriate to be provided outside of an institution must be available to care for the child in the home. The estimated cost of the care cannot exceed the estimated cost of care for the child in an institution.

TEFRA Waiver Program Frequently Asked Questions

What is Cost Sharing?

Families of children determined eligible for the TEFRA WAIVER whose annual income after allowable deductions exceeds 150% of the Federal Poverty Level will be required to pay a monthly premium to participate in the program. The premium payment will begin the first month following the month the application is approved. The total annual out-of-pocket cost sharing (premium amount) cannot exceed five percent of the family's gross income.

How is the premium determined?

Whether or not you must pay a premium is based on your household size and annual income as reported to IRS. Allowable deductions include a \$600 deduction per dependent child living in the home and excess medical and dental expenses as shown on Schedule A of the parent's federal tax return.

Premiums will not be required if annual income is at or below 150% of the Federal Poverty Level. To determine your premium range, find your family size on Chart 1 below. If your annual income after allowable deductions is at or below the amount listed for your household size, you will not be assessed a premium. If your income is greater than the amount listed below for your household size, please continue to Chart 2 to find your premium range.

How are premiums collected?

Premium payments are collected by either a monthly bank draft or quarterly advance payments by check or money order. You will choose your payment option preference upon approval of your application. Regardless of the option you choose, the first two-month's premiums must be paid in advance by check or money order. If you choose the bank draft option, the premium will automatically be drafted from your bank account. If you choose the advance payment option, you will receive monthly invoices in the mail. Failure to provide the Payment Selection Form or make the two month initial payment will cause the child to be ineligible. For ongoing cases, if the premium is not paid for three months, the case will be closed. A new application will be required for eligibility to be determined. If the case has been closed less than 12 months because of failure to pay premiums, the past due premiums must be paid in full before the child can be re-approved for TEFRA Waiver services.

Chart 1	
Family Size	150% FPL
1	\$18,735
2	\$25,365
3	\$31,995
4	\$38,625
5	\$45,255
6	\$51,885
7	\$58,515
For each additional member add:	\$6,630

Chart 2 TEFRA Cost Share Schedule				
Monthly Premium Range				
From	To	%	From	To
\$ 0	\$ 25,000	0.00%	\$ 0	\$ 0
\$ 25,001	\$ 50,000	1.00%	\$20	\$41
\$ 50,001	\$ 75,000	1.25%	\$52	\$78
\$ 75,001	\$100,000	1.50%	\$ 93	\$125
\$100,001	\$125,000	1.75%	\$145	\$182
\$125,001	\$150,000	2.00%	\$208	\$250
\$150,001	\$175,000	2.25%	\$281	\$328
\$175,001	\$200,000	2.50%	\$364	\$416
\$200,001	Unlimited	2.75%	\$458	\$458

For more information:

Visit our website: <http://humanservices.arkansas.gov/about-dhs/dms/consumer-long-term-care-information/tefra>
 Questions about Medicaid coverage and services call 1-800-482-5431 Questions about Medicaid eligibility call 1-800-482-8988