

MS B-315, MS F-180, Appendix P & PUB-405

Summary of Changes

The proposed rule change clarifies the DHS Medical Services Policy Manual to bring it into compliance with federal and state law regarding institutional placement options, additional health insurance coverage and premium amounts for the TEFRA program.

B-300 Aid to the Aged, Blind and Disabled (AABD) Eligibility Groups**B-315 TEFRA**

NOTE: Recipients of Medicaid in the Workers with Disabilities group will be able to access services under ARChoices provided the functional need criteria for ARChoices have been met as well as the financial criteria of the Workers with Disabilities group.

B-315 TEFRA

MS Manual 10/01/16

This group consists of children 18 years of age or younger with disabilities that must meet the medical necessity requirement for institutional placement in a hospital, a skilled nursing facility, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) or be at risk for future institutional placement. Medical services must be available to provide care to the child in the home, and it must be appropriate to provide such care outside an institution.

The income limit is three (3) times the SSI/SPA. Only the child's income is considered. Parental income is not considered in the eligibility determination, but is considered for the purpose of calculating the month premium. For information regarding TEFRA premiums and calculation, see [MS F 170-173](#). The resource limit is \$2000. Only the child's resources are considered. Parent resources are disregarded. Recipients of TEFRA Waiver receive the full range of Medicaid benefits and services.

B-316 Autism

MS Manual 08/15/14

This group consists of children ages 18 months through six (6) years who have a diagnosis of autism. In addition to the autism diagnosis, the waiver participant must have a disability determination and meet the ICF/IID level of care. The income limit for the child is three (3) times the SSI/SPA and the resource limit is \$2000. Parental income and resources are disregarded. Autism recipients will receive the full range of Medicaid benefits and services in addition to intensive early intervention treatment.

B-317 Division of Developmental Disabilities Services (DDS) Alternative Community Services Waiver Program

MS Manual 08/15/14

This group consists of individuals of any age who have developmental disabilities as determined by the Division of Developmental Disabilities Services (DDS). DDS waiver services are provided to individuals who meet the ICF/IID level of care. The income cannot exceed three (3) times the SSI/SPA. If the waiver applicant is living in the home of his/her parents, the parental income and

F-100 Non-Financial Eligibility Requirements**F-180 Other Health Insurance Coverage**

been made, the case will be closed. (Refer to [C-231](#) for re-application when TEFRA case is closed due to non-payment of premiums.)

F-180 Other Health Insurance Coverage

MS Manual 10/01/16

For most eligibility groups, an individual may be covered by other health insurance without affecting his or her eligibility for Medicaid. There are two exceptions to this which are described below.

Health Care Independence Program

An individual who is eligible for or enrolled in Medicare is not eligible for the Health Care Independence Program.

ARKids B

Children who have health insurance or who have been covered by health insurance other than Medicaid in the 90 days preceding the date of application will not be eligible for ARKids B unless one of the following conditions is met:

- a. The health insurance is a non-group or non-employer sponsored plan.
- b. The health insurance was lost through termination of employment for any reason.
- c. The health insurance was lost through no fault of the applicant. For example, health insurance is lost through no fault of the applicant if the employer ceases to provide employer-sponsored health insurance.
- d. The health insurance is/was not primary comprehensive. Primary comprehensive health insurance is defined as insurance that covers both physician and hospital charges.
- e. Health insurance coverage is available to a child through a person other than the child's custodial adult and is determined to be inaccessible (e.g., the absent parent lives out of state and covers the child on his or her HMO, which the child cannot access due to distance). This determination will be made on a case-by-case basis by the caseworker based on information provided by the applicant.

F-100 Non-Financial Eligibility Requirements**F-190 Medicare Entitlement Requirements for MSP Eligibility Groups**

If a parent or guardian voluntarily terminates insurance within the 90 days preceding application for a reason other than those listed above, the children will **not** be eligible for ARKids B.

The applicant's declaration regarding the child's health insurance coverage will be accepted.

This is a special requirement for ARKids B only and does not apply to ARKids A or other Medicaid categories.

F-190 Medicare Entitlement Requirements for MSP Eligibility Groups

MS Manual 01/01/14

Medicare entitlement is an eligibility requirement for all Medicare Savings Programs (except ARSeniors), even though the requirement differs somewhat between the five groups. Medicare entitlement means that the individual has applied for, is eligible for, and is enrolled in Medicare Part A. Conditionally eligible means that an individual can be enrolled (entitled) for Part A Medicare only on the condition that he/she is eligible for QMB, and thus eligible for the state Medicaid agency to pay the Part A premium as part of the QMB benefits. The Medicare entitlements requirement is as follows:

- ARSeniors-Individuals do not have to be entitled to Medicare (e.g., Qualified Aliens who have not worked enough quarters to Qualify for Medicare can still be eligible for ARSeniors). However, individuals who are entitled to Medicare and choose not to enroll in Medicare are not eligible for the ARSeniors program.
- QMB-Individuals must be entitled to or conditionally eligible for Medicare Part A.
- SMB-Individuals must be entitled to Medicare Part A.
- QI-1-Individuals must be entitled to Medicare Part A.
- QDWI-Individuals who lost Medicare Part A & SSA-DIB benefits due to SGA. The individual must be eligible to reenroll in Medicare Part A (Re [MS F-192](#)).

F-191 Medicare Part A Entitlement

MS Manual 01/30/15

Medicare Part A beneficiaries include the following groups:

1. Persons age 65 or older who are:
 - a. Entitled to monthly Social Security benefits on the basis of covered work under the Social Security Act; or qualified Railroad Retirement beneficiaries; or

APPENDIX P TEFRA

Premium Schedule

How to determine TEFRA Premium Range

Step 1

Look at the chart below. If the family has income after allowable deductions at or below the amount listed for the household size, a premium will not be assessed.

If the household has income that is greater than the amount listed below for the household size, continue to Step 2.

Family Size	150% FPL
1	\$17,820.00
2	\$24,030.00
3	\$30,240.00
4	\$36,450.00
5	\$42,660.00
6	\$48,870.00
7	\$55,095.00
8	\$61,335.00
For each additional member add:	\$6,240.00

Step 2

Find the income here to determine the TEFRA Premium Range

Annual Income		Monthly Premiums		
From	To	Percent %	From	To
\$0	\$25,000	0.0%	\$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

TEFRA WAIVER PROGRAM



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 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 an acute care facility, a skilled nursing facility, an ICF/MR 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 FACT SHEET

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 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.

Chart 1	
Family Size	150% FPL
1	\$17,655
2	\$23,895
3	\$30,135
4	\$36,375
5	\$42,615
6	\$48,855
7	\$55,095
For each additional member add:	\$6,240

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

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.



www.state.ar.us/dhs/TEFRA

Questions about Medicaid coverage and services call 1-800-482-5431

Questions about Medicaid eligibility call 1-800-482-8988

Arkansas Democrat Gazette

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Notice of Rule Making
Pursuant to Arkansas Code, 20-76-201 and Social Security Act 42 U.S.C. § 1396p(c)(1)(A)-(D) & (c)(2)(C)(iii), the Director of Division of County Operations issues the following proposed changes to Medical Services Policies B-315, F-180, Appendix P and PUB-405 effective October 1, 2016.

The proposed rule change clarifies the DHS Medical Services Policy Manual to bring it into compliance with federal and state law regarding institutional placement options, additional health insurance coverage and premium amounts for the TEFRA program.

Copies of the proposed change may be obtained by writing the Division of County Operations, P.O. Box 1437, Slot S-332, Little Rock, AR 72203, Attention: Office of Program Planning & Development. You may also access it on the DHS website <http://human-services.arkansas.gov/Pages/LegalNotices.aspx>. All comments must be submitted in writing to the address indicated above no later than June 30, 2016.

If you need this material in a different format, such as large print, contact our Americans with Disabilities Act Coordinator at 501-682-8922 (voice) or 501-682-8933 (TDD).

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin.

737469061

Subscribed and sworn to me this 27 day of June 2016

Notary Public

