



# MA - TEFRA: WHAT YOU NEED TO KNOW

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# WHAT IS IT?

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- TEFRA stands for **T**ax **E**quity and **F**iscal **R**esponsibility **A**ct)
  - TEFRA is not insurance, rather it is a pathway to Medicaid for those who do not qualify for Medicaid based on income requirements alone.
  - It is based on disability certification.
  - Any family with a child who is certified disabled by the state (SMRT) is eligible for TEFRA.
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# WHY IS IT IMPORTANT?

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- It allows families of children with disabilities to access care that they cannot access through private health care insurance alone.
  - Many private insurances do not cover many of the therapies needed by children with disabilities.
  - Or if they do, it is in limited amounts (e.g. ten OT visits per year, 50 hours of behavioral therapy per year).
  - TEFRA provides a means to access those therapies.
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# WHO IS ELIGIBLE FOR TEFRA?

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- The child must live with a parent
  - The child must be under age 19
  - The child must be certified disabled by the State Medical Review Team (SMRT) or the Social Security Administration (SSA)
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# WHAT DOES IT COST?

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- Many families can access Medicaid for their children with disabilities based on meeting income guidelines.
  - For those that families whose income is too high to meet Medicaid guidelines, TEFRA allows them access to the same services on a sliding fee scale that is based on income. This is known as the parental fee.
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# WHAT IS THE PROBLEM? WHY ARE FAMILIES SEEKING LEGISLATIVE CHANGE?

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- The parental fees for TEFRA for some families are exorbitant.
  - Many families paying parental fees are already under considerable financial strain.
  - TEFRA fees operate as a disability tax, that families without disabilities do not have to pay.
  - Many families cannot access therapeutic services available through TEFRA, because the costs are too high.
  - As a result, children are not receiving the intensive therapies that could make a considerable difference in their long term outcomes.
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# WHAT EXACTLY ARE THE FEES?

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- Parental fee calculator can be found at: <http://pfestimator.dhs.mn.gov>
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# HOW ARE YOU PROPOSING TO SOLVE THIS PROBLEM?

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- We are asking for a 25% reduction in parental fees this year.
- This would cost the state approximately X.



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# WHY SHOULD I SUPPORT THIS LEGISLATION?

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- TEFRA affects families from every county, both urban and rural, middle and upper income.
  - Both parties have put forth platforms of support for middle class families.
  - Both parties have put forth platforms of support for disability communities.
  - The current system poses undo hardship on families of children with disabilities.
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