

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 785

DATE: February 16, 2007

Version: First engrossment

Authors: Norton and others

Subject: Modifies the Parental Contribution for Services for Persons with Developmental Disabilities

Analyst: Danyell Punelli LeMire, 296-5058

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) is an optional eligibility category under Medical Assistance (MA). Under this option, only the child's income is counted and parents pay a parental fee. In order to be eligible under the TEFRA option, an individual must:

- be under age 18;
- have a disability determination from the SMRT;
- require a level of home health care comparable to the care provided in a hospital, nursing facility, or ICF/MR;
- have MA home care costs that do not exceed the cost to MA of institutional care;
- live with at least one parent; and
- meet the MA income standard (the income limit is 100 percent of FPG and only the child's income is counted).

There is no asset limit under the TEFRA option.

This bill modifies parental contributions required under the TEFRA program.

Section

- 1** **Contribution amount.** Amends § 252.27, subd. 2a. Adds language to assure that the parental contributions are an eligible expense for pre-tax health flexible spending accounts. Modifies parental contributions for the TEFRA program by modifying the parental fee

Section

methodology by deducting \$100 per month from the annual fee.