What is Act 421 Children’s Medicaid Option?

Act 421 Children’s Medicaid Option (Act 421-CMO/TEFRA) allows certain children with long-term disabilities or special health care needs to obtain coverage under Louisiana’s Medicaid Program. The Medicaid services a child receives through the Act 421-CMO program are the same services available from most other Medicaid programs, including requiring the use of a Healthy Louisiana plan. The same policies, rules, and regulations of the Louisiana Medicaid Program apply.

If you have questions about the Act 421-CMO/TEFRA program or where your application is in the process, please contact us at 1-800-230-0690 or via email at 421-CMO@la.gov. You can also visit our website at www.ldh.la.gov/Act421. For general Medicaid questions, please contact Louisiana Medicaid Customer Service at 1-888-342-6207.

Eligibility Criteria

In order to be eligible for the Act 421-CMO option, a child must meet all of the following criteria:

• Be a Louisiana resident.
• Under the age of 19 (not to exceed the age of 18).
• Has a disability that is recognized under the definition of disability utilized in the Supplemental Security Income program of the Social Security Administration, regardless of whether the child is eligible to receive benefits under that program.
• Excluding the assets (resources) of parents, the child does not have total assets (resources) exceeding $2,000 in value.
• Be a United States citizen or qualified non-citizen.
• Excluding the income of parents, the child’s income is less than three (3) times the Federal Benefit Rate (FBR), referred to as the individual Special Income Limit (SIL).
• The child meets an institutional level of care provided in a hospital, skilled nursing facility, or intermediate care facility (ICF).
• Care provided safely at home for less than the cost of institutional care.

Level of Care

Although the child remains in the home, all applicants for Act 421-CMO MUST meet a level of care that one of the following institutions typically provides.

Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID): A child who meets this level of care has a severe chronic disability and/or developmental delays resulting in substantial functional limitations and a need for active treatment. This level of care requires a Statement of Approval (SOA) or Early Steps eligibility (dependent on child’s age) through the Office for Citizens with Developmental Disabilities (OCDD).

Nursing Facility: A child who meets this level of care has a long-term medical or physical condition that significantly diminishes their functional capacity and interferes with the ability to perform age-appropriate...
activities of daily living at home and in the community. This child requires an extraordinary degree of daily assistance from others to meet every day routines and special medical needs. The special medical needs may warrant skilled nursing interventions that require specialized training and monitoring that is significantly beyond that which is routinely provided to children.

**Hospital:** A child who meets this level of care has needs that are typically met in an inpatient medical hospital setting. The child’s medical needs must be chronic, persistent, and expected to last at least six months from the date of review. The skilled care needs cannot be acute and of a short-term duration.

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**ACT 421-CMO Application Process**

**Application Processing Time:** It can take up to **90 DAYS** for Medicaid to process an application if Social Security has not already made a disability decision. You can help to speed up the process by providing complete information and assisting Medicaid to get medical records when necessary. There are four steps to the Act 421-CMO Medicaid process:

1. **Apply:** Complete a Medicaid application and meet basic Medicaid requirements. [Apply here](#).

2. **Level of Care Assessment (Average 30 days from return of completed documents):** Medicaid will send you a level of care packet with documents to complete in order initiate the level of care assessment. **The assessment cannot begin until these documents are completed and returned.** After you submit the documentation, your local Human Services District/Authority (or LGE) will review the record to determine if your child meets the eligibility requirement for level of care. If needed, the Human Services District/Authority will interview parents, providers, evaluators, teachers, etc. to make a determination. You will be notified in writing of denial or approval of the level of care assessment.

3. **Disability Determination (Average 30 days):** If your LGE approves level of care, Medicaid’s Medical Eligibility Determination Team (MEDT) will determine if your child has a disability as stated in the eligibility requirements. This will not be needed if your child already has a disability determination from Social Security.

4. **Enrollment:** If your child meets all the Act 421-CMO eligibility criteria, they will be enrolled in their chosen Healthy Louisiana plan. Your child will receive a welcome packet and Medicaid cards in separate mailings. If your child does not meet level of care or disability, Medicaid will deny the application for Act 421-CMO. However, Medicaid will review your child’s eligibility for any other programs. If eligibility is not found for any Medicaid programs, your child will receive a denial notice with appeal rights enclosed.

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**General Information**

- Qualification is not based on a diagnosis or disability alone. Qualification is also based on the child’s medically documented institutional level of care needs from the preceding 12 months. A child who is medically stable, even though disabled, is not considered in need of this level of care.

- Benefits cannot be provided to a child whose need is shared by all children of the same age. Consideration is given to the child’s age and the expected developmental level of functioning for their particular age group.

- A parent or authorized rep may reapply at any time if the child’s medical condition changes significantly.

- **Annual Renewals:** An annual redetermination of eligibility is required in order to maintain eligibility. A Medicaid renewal notice will be mailed to you prior to your renewal date with instructions. It is important to respond to this notice timely and remember to report any changes to your mailing address by calling Medicaid Customer Service toll free at **1-888-342-6207** or go online by visiting the [Medicaid Self-Service Portal](#).

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