



# Senate

General Assembly

**File No. 382**

February Session, 2000

Substitute Senate Bill No. 532

*Senate, April 3, 2000*

The Committee on Public Health reported through SEN. HARP of the 10<sup>th</sup> Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## ***An Act Extending Benefits Under The HUSKY Plan To Certain Unemployed Individuals.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (10) of section 17b-290 of the general statutes,  
2 as amended by section 18 of public act 99-279, is repealed and the  
3 following is substituted in lieu thereof:

4 (10) "Eligible beneficiary" means (A) a child who meets the  
5 requirements specified in section 17b-292, as amended by this act,  
6 except a child excluded under the provisions of Subtitle J of Public  
7 Law 105-33 or a child of any municipal employee eligible for  
8 employer-sponsored insurance on or after October 30, 1997, provided a  
9 child of such a municipal employee may be eligible for coverage under  
10 the HUSKY Plan, Part B if dependent coverage was terminated due to  
11 an extreme economic hardship on the part of the employee, as  
12 determined by the commissioner, or (B) an individual who meets the  
13 requirements specified in subsection (n) of section 17b-292, as

14 amended by this act, or a member of such individual's family.

15       Sec. 2. Section 17b-292 of the general statutes is amended by adding  
16 subsection (n) as follows:

17       (NEW) (n) Any individual who (1) resides in a household with a  
18 family income that does not exceed three hundred per cent of the  
19 federal poverty level, (2) has lost health insurance coverage due to  
20 becoming unemployed for reasons other than voluntary termination,  
21 and (3) has exhausted available benefits under the Consolidated  
22 Omnibus Budget Reconciliation Act of 1985, (P.L. 99-272), as amended  
23 from time to time, (COBRA), shall be eligible for unsubsidized benefits  
24 under the HUSKY Plan, Part B for the individual and such individual's  
25 family, provided any child of such individual shall be eligible for  
26 subsidized benefits in accordance with subsection (a) of this section.  
27 Such individual and such individual's family shall remain eligible for  
28 said plan during such individual's unemployment and for a period of  
29 ninety days after such individual becomes reemployed, provided the  
30 eligibility period for any child of such individual shall be determined  
31 in accordance with subsections (d) and (f) of this section.

**PH   Committee Vote:**   Yea   25   Nay   0   JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

- State Impact:** Potential Significant Costs
- Affected Agencies:** Department of Social Services
- Municipal Impact:** None

**Explanation**

**State Impact:**

This bill makes certain individuals eligible for unsubsidized benefits under the HUSKY Plan, Part B. The HUSKY plan currently provides benefits only for children; this bill would expand the program to include some adults. Individuals eligible under this bill must reside in a household with a family income that does not exceed 300% of the federal poverty level, have lost insurance through involuntary employment termination, and have exhausted available benefits under federal law. As the benefits available are not subsidized by the state, no additional cost is expected for the purchase of benefits. However, the Department of Social Services (DSS) may incur significant administrative costs to certify eligibility and enroll this new category of individuals.

It should be noted that the language specifies that these individuals are eligible for HUSKY only if their ability to buy into group insurance benefits as required by federal law expires. Connecticut statute contains similar provisions for group policies purchased in Connecticut. Therefore, individuals that are buying into their former

employer's health plan under the Connecticut statute appear to be ineligible for this extension of HUSKY benefits.

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**OLR Bill Analysis**

sSB 532

***AN ACT EXTENDING BENEFITS UNDER THE HUSKY PLAN TO CERTAIN UNEMPLOYED INDIVIDUALS.*****SUMMARY:**

This bill expands eligibility for the HUSKY Plan, Part B (HUSKY B) for certain individuals who have lost health coverage. (HUSKY is the state's children's health insurance program.) Under the bill, a person is eligible for unsubsidized benefits under HUSKY B if he (1) lives in a household with family income not exceeding 300% of the federal poverty level (currently \$51,150 for a family of four); (2) has lost health insurance coverage because of unemployment for reasons other than voluntary termination, and (3) has exhausted available COBRA benefits. The bill makes any child of that person eligible for subsidized benefits under the HUSKY B.

The bill specifies that the individual and his family must remain eligible for the HUSKY plan his unemployment and for 90 days after he is reemployed. His child's eligibility period must be determined according to existing law on HUSKY eligibility. By law, a child determined eligible for the HUSKY B remains eligible for 12 months from the determination date unless he reaches age 19 or no longer resides in the state. A newborn who otherwise meets the eligibility criteria is eligible for benefits retroactive to his date of birth, provided an application is filed on his behalf within 30 days of that date.

EFFECTIVE DATE: October 1, 2000

**BACKGROUND*****“COBRA”***

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) (PL 99-272) contains provisions giving certain former employees, spouses, and dependent children the right to temporary

continuation of health coverage at group rates. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since the employer usually pays a part of the premium for active employees while COBRA participants generally pay the entire premium themselves. Generally, eligibility for COBRA benefits is affected by the employer and employee's specific circumstances.

**Husky Program**

The HUSKY plan is a combination Medicaid Part A and state-designed program (Part B). Children from birth through age 18 whose family incomes are up to 185% of the federal poverty level (FPL) are eligible for HUSKY A. Children from birth through age 18 with family incomes above 185% of the FPL are eligible for HUSKY B. If the family's income does not exceed 300% of the FPL, the child is eligible for subsidized benefits; if the family income exceeds 300% of the FPL, the child is eligible for unsubsidized benefits.

**COMMITTEE ACTION**

Public Health Committee

Joint Favorable Substitute

Yea 25      Nay 0