



# House of Representatives

**File No. 835**

General Assembly

January Session, 2001

**(Reprint of File No. 345)**

Substitute House Bill No. 6430  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 31, 2001

**AN ACT CONCERNING BENEFITS AND ELIGIBILITY UNDER THE  
HUSKY PLAN.**

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

1 Section 1. Subsection (m) of section 17b-292 of the general statutes is  
2 repealed and the following is substituted in lieu thereof:

3 (m) The commissioner shall adopt regulations, in accordance with  
4 chapter 54, to establish residency requirements and income eligibility  
5 for participation in the HUSKY Plan, Part B and procedures for a  
6 simplified mail-in application process. Notwithstanding the provisions  
7 of section 17b-257b, such regulations shall provide that any child  
8 adopted from another country by an individual who is a citizen of the  
9 United States and a resident of this state shall be eligible for benefits  
10 under the HUSKY Plan, Part B upon arrival in this state.

11 Sec. 2. Subdivision (22) of section 17b-290 of the general statutes is  
12 repealed and the following is substituted in lieu thereof:

13 (22) "Qualified entity" means any entity: (A) Eligible for payments

14 under a state plan approved under Medicaid and which provides  
15 medical services under the HUSKY Plan, Part A, or [is authorized to  
16 determine eligibility of (i) a child to participate in a Head Start  
17 program under the Head Start Act, (ii) a child to receive child care  
18 services for which financial assistance is provided under the Child  
19 Care and Development Block Grant Act of 1990, or (iii) a child to  
20 receive assistance under WIC; and (B) that is determined by the  
21 commissioner to be capable of making the determinations specified in  
22 subparagraph (A) of this subdivision] (B) is a qualified entity, as  
23 defined in 42 USC 1396r-1a, as amended by Section 708 of Public Law  
24 106-554 and that is determined by the commissioner to be capable of  
25 making the determination of eligibility. The commissioner shall  
26 provide qualified entities with such forms as are necessary for an  
27 application to be made on behalf of a child under the HUSKY Plan,  
28 Part A and information on how to assist parents, guardians and other  
29 persons in completing and filing such forms.

30 Sec. 3. Subsection (h) of section 17b-292 of the general statutes is  
31 repealed and the following is substituted in lieu thereof:

32 (h) The commissioner shall enter into a contract with an entity to be  
33 a single point of entry servicer for applicants and enrollees under the  
34 HUSKY Plan, Part A and Part B. The servicer shall jointly market both  
35 Part A and Part B together as the HUSKY Plan. Such servicer shall  
36 develop and implement public information and outreach activities  
37 with community programs. Such servicer shall electronically transmit  
38 data with respect to enrollment and disenrollment in the HUSKY Plan,  
39 Part B to the commissioner who may transmit such data to the  
40 Children's Health Council.

41 Sec. 4. Subsection (k) of section 17b-292 of the general statutes is  
42 repealed and the following is substituted in lieu thereof:

43 (k) Not more than twelve months after the determination of  
44 eligibility for benefits under the HUSKY Plan, Part A and Part B and  
45 annually thereafter, the commissioner or the servicer, as the case may

46 be, shall determine if the child continues to be eligible for the plan. The  
47 commissioner or the servicer shall mail [a] an application form to each  
48 participant in the plan for the purposes of obtaining information to  
49 make a determination on eligibility. To the extent permitted by federal  
50 law, in determining eligibility for benefits under the HUSKY Plan, Part  
51 A and Part B with respect to family income, the commissioner or the  
52 servicer shall rely upon information provided in such form by the  
53 participant unless the commissioner or the servicer has reason to  
54 believe that such information is inaccurate or incomplete. The  
55 determination of eligibility shall be coordinated with health plan open  
56 enrollment periods.

57 Sec. 5. Subsections (b) and (c) of section 17b-299 of the general  
58 statutes are repealed and the following is substituted in lieu thereof:

59 (b) An application may be disapproved if it is determined that a  
60 child to be covered under the HUSKY Plan, Part B was covered by an  
61 employer-sponsored insurance within the last [six] two months. If the  
62 commissioner determines that the time period specified in this  
63 subsection is insufficient to effectively deter applicants or employers of  
64 applicants from discontinuing employer-sponsored dependent  
65 coverage for the purpose of participation in the HUSKY Plan, Part B,  
66 the commissioner may extend such period for a maximum of an  
67 additional [six] two months.

68 (c) An application may be approved in cases where prior employer-  
69 sponsored coverage ended less than [six] two months prior to the  
70 determination of eligibility for reasons unrelated to the availability of  
71 the HUSKY Plan, Part B, including, but not limited to:

72 (1) Loss of employment due to factors other than voluntary  
73 termination;

74 (2) Death of a parent;

75 (3) Change to a new employer that does not provide an option for  
76 dependent coverage;

77 (4) Change of address so that no employer-sponsored coverage is  
78 available;

79 (5) Discontinuation of health benefits to all employees of the  
80 applicant's employer;

81 (6) Expiration of the coverage periods established by the  
82 Consolidated Omnibus Budget Reconciliation Act of 1985, (P.L. 99-272)  
83 as amended from time to time, (COBRA);

84 (7) Self-employment;

85 (8) Termination of health benefits due to a long-term disability;

86 (9) Termination of dependent coverage due to an extreme economic  
87 hardship on the part of either the employee or the employer, as  
88 determined by the commissioner; or

89 (10) Substantial reduction in either lifetime medical benefits or  
90 benefit category available to an employee and dependents under an  
91 employer's health care plan.

92 Sec. 6. (NEW) The Commissioner of Social Services may seek a  
93 waiver, if required, under Title XXI of the Social Security Act to  
94 authorize the use of funds received under said title to promote the  
95 enrollment of children in the HUSKY Plan who are eligible for benefits  
96 under other income-based assistance programs including, but not  
97 limited to, free or reduced school lunch programs.

98 Sec. 7. (NEW) (a) To the extent permitted by federal law, the  
99 Commissioners of Social Services and Education shall jointly establish  
100 procedures for the sharing of information contained in applications for  
101 free and reduced price meals under the National School Lunch  
102 Program for the purpose of determining whether children  
103 participating in such program are eligible for coverage under the  
104 HUSKY Plan, Part A and Part B. The Commissioner of Social Services  
105 shall take all actions necessary to ensure that children identified as  
106 eligible for the HUSKY Plan are able to enroll in such plan.

107 (b) The Commissioner of Education shall establish procedures  
108 whereby an individual may apply for the HUSKY Plan, Part A or Part  
109 B, at the same time such individual applies for the National School  
110 Lunch Program.

111 Sec. 8. (NEW) The Commissioner of Social Services, in determining  
112 if an individual continues to be eligible for the HUSKY Plan, Part A or  
113 Part B, shall determine whether such individual is a recipient of a child  
114 care subsidy under section 17b-749 of the general statutes, food stamps  
115 under the food stamp program pursuant to the Food Stamp Act of  
116 1977 or benefits under any other program administered by the  
117 Department of Social Services for the purpose of ascertaining whether  
118 the department has information necessary for the redetermination of  
119 eligibility under the HUSKY Plan. In the event such information is  
120 available, the commissioner shall use such information in such  
121 redetermination.

122 Sec. 9. This act shall take effect from its passage, except that sections  
123 2 to 8, inclusive, shall take effect July 1, 2001.

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 Indeterminate Cost

**Affected Agencies:** Department of Social Services

**Municipal Impact:** None

**Explanation**

**State Impact:**

Section 1 of this bill allows a child adopted from a foreign country by a state citizen to be eligible for benefits under the HUSKY program upon arrival in the state. To the extent that this leads to additional children being enrolled in the HUSKY program, additional cost to the Department of Social Services (DSS) will result. However, this change is not expected to add many individuals to the program.

The bill makes several further efforts to expand enrolment in the HUSKY children's health insurance plan, including reducing the look back period for the HUSKY program from six months to two months.

Additionally, the bill allows DSS to apply for a waiver of federal law in order to promote the HUSKY plan in other income-based assistance programs, including free or reduced school lunch programs. The amendment also requires the Commissioner of Education to establish procedures by which individuals may apply for the HUSKY programs at the same time that they apply for the National School Lunch Program. To the extent that towns participate in free and reduced school lunches, it is expected that the two agencies can accomplish

these requirements within anticipated resources. However, it should be noted that large municipalities such as Hartford have waivers that do not require them to send out applications for free and reduced priced lunches, and all pupils are eligible for the program.

The various measures included in this bill may increase enrolment, and thus costs, in the HUSKY program. It is not known how many additional individuals would be enrolled in the HUSKY program. Therefore, the total potential costs cannot now be determined.

House "A" added several provisions to expand HUSKY enrolment, including the reduction of the look-back period and the provisions concerning HUSKY enrolment through the other income-based assistance programs. These provisions resulted in potential indeterminate costs, as they have the potential of expanding HUSKY enrolment.

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**OLR Amended Bill Analysis**

sHB 6430 (as amended by House "A")\*

***AN ACT ENSURING HEALTH CARE COVERAGE UNDER THE HUSKY PLAN FOR CERTAIN ADOPTED CHILDREN.*****SUMMARY:**

This bill:

1. makes a child who is adopted from another country by someone who is both a U.S. citizen and a Connecticut resident eligible for HUSKY Plan, Part B, benefits as soon as the child arrives here, instead of having to wait six months;
2. reduces, from six to two months, the time that a child, to qualify for HUSKY B, must have been without employer-sponsored health coverage, and makes related changes;
3. allows more entities, consistent with federal law, to grant children "presumptive eligibility" for HUSKY Plan, Part A, benefits;
4. requires HUSKY eligibility redeterminations to (a) rely on family income information the participant provides, to the extent federal law permits, unless there is reason to doubt its accuracy and (b) make use of income information available because the child or family is already participating in another program administered by the Department of Social Services (DSS), such as food stamps or child care subsidies;
5. allows the DSS commissioner to seek a federal waiver so the state can use its federal Children's Health Insurance Program funds to promote HUSKY enrollment for children eligible for other income-based assistance programs, such as free or reduced school lunches;
6. requires the DSS and education commissioners to share information from National School Lunch Program applications to determine participants' eligibility under HUSKY A or B and makes related changes to ensure more coordination; and

7. provides for electronic transmission of HUSKY B enrollment and disenrollment data.

\*House Amendment "A" adds all the modifications to the HUSKY program except the provision concerning foreign adoptions, which was in the original bill.

EFFECTIVE DATE: July 1, 2001, except for the foreign adoption provision, which is effective upon passage.

### **FOREIGN ADOPTIONS AND HUSKY B ELIGIBILITY**

The bill requires HUSKY B regulations to permit a child who is adopted from another country by someone who is both a U.S. citizen and a state resident to be eligible for HUSKY B benefits as soon as the child arrives in Connecticut. Under current law, new residents who are non-citizens may receive only state-funded HUSKY B benefits, and these are not available until the child has been living in the state for at least six months. It appears that if the adopted child is a citizen, he would be eligible for federally funded benefits immediately. If his citizenship is pending while the provisions of the federal Child Citizenship Act are being met (see BACKGROUND), his benefits would be paid under the bill with state funds. There is no durational residency requirement for U.S. citizens applying for HUSKY B. (Presumably, the adoptive family would have to meet the program's other eligibility requirements.)

### **REDUCTION IN TIME WITHOUT INSURANCE – "CROWD OUT"**

The bill reduces, from six to two months, the time that a child, must have been without employer-sponsored health coverage to qualify for HUSKY B. Under the bill, the commissioner can extend this time period for up to two more months, instead of six, if she determines that two months is not enough to deter applicants or employers from discontinuing employer-sponsored dependent coverage in order to switch to HUSKY B. (The law's exemptions from this "crowd out" provision are unchanged.)

### **PRESUMPTIVE ELIGIBILITY – QUALIFIED ENTITIES**

The bill broadens and updates the state statute concerning who can be

a qualified entity for purposes of determining “presumptive eligibility” (see BACKGROUND) to provisionally enroll children in HUSKY A, by referring to federal law instead of listing the specific types of entities.

Current state statute defines a “qualified entity” as one (1) eligible for payments under the state Medicaid plan that provides medical services under HUSKY A (which is another name for child Medicaid) or (2) already authorized to determine children’s eligibility for the Head Start program; the Child Care Subsidy Program; and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The federal definition now covers these same entities. But it also includes those allowed to determine eligibility under the federal Children’s Health Insurance Plan, elementary or secondary schools (including those operated by the Bureau of Indian Affairs), state or tribal child support enforcement agencies, federally funded organizations providing emergency assistance to the homeless; state or tribal offices administering state welfare reform programs funded by the federal Temporary Assistance to Needy Families program or that determine eligibility for federally funded public or assisted housing (including Native American housing programs); or any other entity the state considers qualified, with the Secretary of Health and Human Services’ approval.

Under the bill, the DSS commissioner is still responsible for deciding whether these entities are capable of determining eligibility.

## **ELIGIBILITY REDETERMINATION**

The bill requires the commissioner or the single point of entry servicer with whom DSS contracts (currently Benova, Inc.), as the case may be, to annually redetermine a child’s continued eligibility for HUSKY A and B and to mail an application form to program participants for this purpose. Current law requires the servicer to engage in these functions. The bill requires whichever one of them carries out these functions, to the extent permitted by federal law, to rely on the family income information the participant provides on the form to determine eligibility, unless the commissioner or servicer has reason to believe the information is inaccurate or incomplete. In determining continued eligibility for HUSKY, the bill also requires the commissioner to

determine whether the individual receives a child care subsidy, food stamps, or benefits under any other DSS-administered program to ascertain whether DSS has information needed for the redetermination. If the information is available, the bill requires the commissioner to use it for the redetermination. Medicaid law requires states to redetermine Medicaid eligibility at least once a year (142 C.F.R § 435, 916). HUSKY B is similarly redetermined yearly.

## **FEDERAL WAIVER ENROLLMENT OUTREACH AND COORDINATION**

The bill allows the DSS commissioner to seek a federal waiver, if required, under the federal Children's Health Insurance Program, to authorize using funds the state receives under the program to promote HUSKY enrollment for children eligible for other income-based assistance programs, such as free or reduced school lunches. To the extent federal law permits, the bill also requires the DSS and education commissioners to jointly establish procedures for sharing information from applications for free and reduced price lunches under the National School Lunch Program to determine the lunch program participants' eligibility under HUSKY A or B. The bill requires the DSS commissioner to take all actions needed to ensure that children identified as eligible enroll in HUSKY A or B. It requires the education commissioner to establish procedures for children to apply for HUSKY A or B at the same time as for the School Lunch Program.

## **HUSKY B ELECTRONIC DATA TRANSMITTAL**

The bill requires the single point of entry servicer to electronically transmit HUSKY B enrollment and disenrollment data to the DSS commissioner and allows her to transmit the data to the Children's Health Council.

## **BACKGROUND**

### ***HUSKY Plan***

The HUSKY Plan provides subsidized health insurance coverage to children up to age 19 living in families with incomes up to (1) 185% of the federal poverty level (FPL) under Part A and (2) 300% of the FPL under Part B. Families with higher incomes can also participate, but the benefits are unsubsidized. Families in Part A have no co-insurance

requirements; those in Part B pay premiums and co-payments.

### ***Citizenship for Adopted Children***

Effective February 27, 2001, the federal Child Citizenship Act (PL 106-395) makes adopted children born in another country U.S. citizens automatically, provided at least one adoptive parent is a U.S. citizen and the child (1) is under age 18, (2) has been fully and finally adopted, and (3) is residing in the U.S. under a lawful admission for permanent residence.

### ***Federal Welfare Reform, Legal Immigrants, and HUSKY B***

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PL 104-193) placed numerous restrictions on legal and illegal immigrants with respect to eligibility for public assistance. The federal law generally bars immigrants who entered the U.S. after August 22, 1996 from receiving federal entitlements for five years. The federal law enabling the state to create its HUSKY B program (State Children's Health Insurance Program) was passed after the 1996 legislation, and makes no provision for assistance to legal immigrants.

PA 97-2, June 18 Special Session makes certain resident immigrants eligible for state-funded assistance, including medical assistance. The legislation that created HUSKY B (PA 97-1, October 29 Special Session) extended these state-funded benefits to children who were otherwise eligible for HUSKY B. A six-month waiting period was imposed for anyone determined eligible after July 1, 1997.

### ***Presumptive Eligibility***

Federal law allows a state Medicaid plan to make medical services available to children under age 19 covered by Medicaid during a "presumptive eligibility period," which begins when an entity, such as a hospital, determines, based on preliminary information, that the child's family income is within the program's limits. The period ends when a final decision is made on the child's eligibility or, if a child's application has not been filed, on the last day of the month following the month when the initial presumption of eligibility was made, whichever is earlier (42 U.S.C. § 1396r-1a, as amended by PL 106-554). The child's medical care is covered during this period. State law requires the DSS commissioner to implement presumptive eligibility

for children applying for Medicaid, in accordance with the federal law, and to establish standards and procedures for designating organizations as qualified entities. DSS is in the process of authorizing a number of entities to make these presumptive eligibility determinations.

**Legislative History**

On May 17, the House adopted House Amendment "A" (LCO 6914) and referred the bill to the Education Committee, which reported it out favorably on May 22, with a recommendation that House "A" be adopted. On May 23, the House referred the amended bill to the Appropriations Committee, which also reported it favorably on May 24, with a recommendation that House "A" be adopted.

**Related Bills**

HB 5609 (File 343, 742) specifies that hospitals, if authorized by the social services commissioner can be a qualified entities for purpose of determining presumptive eligibility to enroll children who are their patients in HUSKY A.

HB 6940 (File 384, 745) allows any acute care general hospital licensed by the Department of Public Health and approved by the social services commissioner to implement presumptive eligibility for appropriate Medicaid applicants, with an emphasis on pregnant women.

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable Substitute  
Yea 16    Nay 1

Education Committee

Joint Favorable, With Recommendation  
Yea 20    Nay 3

Appropriations Committee

Joint Favorable, With Recommendation  
Yea 33 Nay 2