



General Assembly

Substitute Bill No. 5530

February Session, 2004

* HB05530PH_APP031704 *

AN ACT CONCERNING RESTORATION OF BENEFITS AND SERVICES UNDER THE MEDICAL ASSISTANCE PROGRAM.

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

1 Section 1. Subsection (b) of section 42 of public act 03-3 of the June
2 30 special session, is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (b) [No earlier than September 1, 2003, but not later than October 1,
5 2003] On and after the effective date of this section, the state-
6 administered general assistance program pursuant to this section and
7 any general assistance program operated by a town shall provide cash
8 assistance of (1) [two hundred] three hundred fifty dollars per month
9 to a single unemployable person upon determination of such person's
10 unemployability; (2) two hundred dollars per month for a single
11 transitional individual who is required to pay for shelter; and (3) one
12 hundred fifty dollars per month for a single transitional individual
13 who is not required to pay for shelter. [No earlier than September 1,
14 2003, but not later than October 1, 2003, eligible families shall receive
15 cash assistance in an amount that is fifty dollars less than the standard
16 of assistance such family would receive under the temporary family
17 assistance program.] The standard of assistance paid for individuals
18 residing in rated boarding facilities, shall remain at the level in effect
19 on August 31, 2003. No individual shall be eligible for cash assistance
20 under the program if eligible for cash assistance under any other state

21 or federal cash assistance program.

22 Sec. 2. Section 17b-257 of the general statutes, as amended by section
23 18 of public act 03-2 and section 43 of public act 03-3 of the June 30
24 special session, is repealed and the following is substituted in lieu
25 thereof (*Effective from passage*):

26 [(a) The Commissioner of Social Services shall implement a state
27 medical assistance component of the state-administered general
28 assistance program for persons ineligible for Medicaid. Not later than
29 October 1, 2003, each person eligible for state-administered general
30 assistance shall be entitled to receive medical care through a federally
31 qualified health center or other primary care provider as determined
32 by the commissioner. The Commissioner of Social Services shall
33 determine appropriate service areas and shall, in the commissioner's
34 discretion, contract with community health centers, other similar
35 clinics, and other primary care providers, if necessary, to assure access
36 to primary care services for recipients who live farther than a
37 reasonable distance from a federally qualified health center. The
38 commissioner shall assign and enroll eligible persons in federally
39 qualified health centers and with any other providers contracted for
40 the program because of access needs. Not later than October 1, 2003,
41 each person eligible for state-administered general assistance shall be
42 entitled to receive hospital services. Medical services under the
43 program shall be limited to the services provided by a federally
44 qualified health center, hospital, or other provider contracted for the
45 program at the commissioner's discretion because of access needs. The
46 commissioner shall ensure that ancillary services and specialty services
47 are provided by a federally qualified health center, hospital, or other
48 providers contracted for the program at the commissioner's discretion.
49 Ancillary services include, but are not limited to, radiology, laboratory,
50 and other diagnostic services not available from a recipient's assigned
51 primary-care provider, and durable medical equipment. Specialty
52 services are services provided by a physician with a specialty that are
53 not included in ancillary services. In no event, shall ancillary or
54 specialty services provided under the program exceed such services

55 provided under the state-administered general assistance program on
56 July 1, 2003. Eligibility criteria concerning income shall be the same as
57 the medically needy component of the Medicaid program, except that
58 earned monthly gross income of up to one hundred fifty dollars shall
59 be disregarded. Unearned income shall not be disregarded. No person
60 who has family assets exceeding one thousand dollars shall be eligible.
61 No person eligible for Medicaid shall be eligible to receive medical
62 care through the state-administered general assistance program.

63 (b) Recipients covered by a general assistance program operated by
64 a town shall be assigned and enrolled in federally qualified health
65 centers and with any other providers in the same manner as recipients
66 of medical assistance under the state-administered general assistance
67 program pursuant to subsection (a) of this section.

68 (c) On and after October 1, 2003, pharmacy services shall be
69 provided to recipients of state-administered general assistance through
70 the federally qualified health center to which they are assigned or
71 through a pharmacy with which the health center contracts. Prior to
72 said date, pharmacy services shall be provided as provided under the
73 Medicaid program. Recipients who are assigned to a community
74 health center or similar clinic or primary care provider other than a
75 federally qualified health center or to a federally qualified health
76 center that does not have a contract for pharmacy services shall receive
77 pharmacy services at pharmacies designated by the commissioner.

78 (d) Recipients of state-administered general assistance shall
79 contribute a copayment of one dollar and fifty cents for each
80 prescription.

81 (e) The Commissioner of Social Services shall contract with federally
82 qualified health centers or other primary care providers as necessary to
83 provide medical services to eligible state-administered general
84 assistance recipients pursuant to this section. The commissioner shall,
85 within available appropriations, make payments to such centers based
86 on their pro rata share of the cost of services provided or the number

87 of clients served, or both. The Commissioner of Social Services shall,
88 within available appropriations, make payments to other providers
89 based on a methodology determined by the commissioner. The
90 Commissioner of Social Services may reimburse for extraordinary
91 medical services, provided such services are documented to the
92 satisfaction of the commissioner. For purposes of this section, the
93 commissioner may contract with a managed care organization or other
94 entity to perform administrative functions. Provisions of a contract for
95 medical services entered into by the commissioner pursuant to this
96 section shall supersede any inconsistent provision in the regulations of
97 Connecticut state agencies.

98 (f) Each federally qualified health center participating in the
99 program shall, within thirty days of August 20, 2003, enroll in the
100 federal Office of Pharmacy Affairs Section 340B drug discount
101 program established pursuant to 42 USC 256b to provide pharmacy
102 services to recipients at Federal Supply Schedule costs. Each such
103 health center may establish an on-site pharmacy or contract with a
104 commercial pharmacy to provide such pharmacy services.

105 (g) The Commissioner of Social Services shall, within available
106 appropriations, make payments to hospitals for inpatient services
107 based on their pro rata share of the cost of services provided or the
108 number of clients served, or both. The Commissioner of Social Services
109 shall, within available appropriations, make payments for any
110 ancillary or specialty services provided to state-administered general
111 assistance recipients under this section based on a methodology
112 determined by the commissioner.

113 (h) On or before March 1, 2004, the Commissioner of Social Services
114 shall seek a waiver of federal law under the Health Insurance
115 Flexibility and Accountability demonstration initiative for the purpose
116 of extending health insurance coverage under Medicaid to persons
117 qualifying for medical assistance under the state-administered general
118 assistance program. The provisions of section 17b-8 shall apply to this
119 section.]

120 (a) The Commissioner of Social Services shall implement a state
121 medical assistance program for persons ineligible for Medicaid and on
122 or before April 1, 2004, the commissioner shall implement said
123 program in the towns in which the fourteen regional or district offices
124 of the Department of Social Services are located. The commissioner
125 shall establish a schedule for the transfer of recipients of medical
126 assistance administered by towns under the general assistance
127 program to the state program. To the extent possible, the
128 administration of the state medical assistance program shall parallel
129 that of the Medicaid program as it is administered to recipients of
130 temporary family assistance, including eligibility criteria concerning
131 income and assets. Payment for medical services shall be made only
132 for individuals determined eligible. The rates of payment for medical
133 services shall be those of the Medicaid program. Medical services
134 covered under the program shall be those covered under the Medicaid
135 program, except that long-term care and services available pursuant to
136 a home and community-based services waiver under Section 1915 of
137 the Social Security Act shall not be covered.

138 (b) The commissioner shall implement presumptive and continuous
139 eligibility for a person applying for medical assistance pursuant to this
140 section, unless such person qualifies for Medicaid, exceeds income
141 thresholds or obtains health insurance from another source. Such
142 presumptive eligibility determinations shall be in accordance with
143 applicable federal law and regulations.

144 (c) The Commissioner of Social Services shall make payments to
145 hospitals for any services provided to state-administered general
146 assistance recipients based on the cost of services provided and the
147 number of such recipients served. Said commissioner shall make
148 payments for any ancillary or specialty services provided to such
149 recipients pursuant to this subsection, based on a methodology
150 determined by said commissioner. All payment schedules proposed by
151 said commissioner pursuant to this subsection shall be subject to the
152 approval of the joint standing committees of the General Assembly
153 having cognizance of matters relating to human services and

154 appropriations and budgets of state agencies, and may be denied by
155 either joint standing committee.

156 Sec. 3. Section 17b-261 of the general statutes, as amended by section
157 10 of public act 03-2, section 2 of public act 03-28, section 7 of public act
158 03-268 and section 63 of public act 03-3 of the June 30 special session, is
159 repealed and the following is substituted in lieu thereof (*Effective from*
160 *passage*):

161 (a) Medical assistance shall be provided for any otherwise eligible
162 person whose income, including any available support from legally
163 liable relatives and the income of the person's spouse or dependent
164 child, is not more than one hundred forty-three per cent, pending
165 approval of a federal waiver applied for pursuant to subsection (d) of
166 this section, of the benefit amount paid to a person with no income
167 under the temporary family assistance program in the appropriate
168 region of residence and if such person is an institutionalized
169 individual as defined in Section 1917(c) of the Social Security Act, 42
170 USC 1396p(c), and has not made an assignment or transfer or other
171 disposition of property for less than fair market value for the purpose
172 of establishing eligibility for benefits or assistance under this section.
173 Any such disposition shall be treated in accordance with Section
174 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of
175 property made on behalf of an applicant or recipient or the spouse of
176 an applicant or recipient by a guardian, conservator, person
177 authorized to make such disposition pursuant to a power of attorney
178 or other person so authorized by law shall be attributed to such
179 applicant, recipient or spouse. A disposition of property ordered by a
180 court shall be evaluated in accordance with the standards applied to
181 any other such disposition for the purpose of determining eligibility.
182 The commissioner shall establish the standards for eligibility for
183 medical assistance at one hundred forty-three per cent of the benefit
184 amount paid to a family unit of equal size with no income under the
185 temporary family assistance program in the appropriate region of
186 residence, pending federal approval, except that the medical assistance
187 program shall provide coverage to persons under the age of nineteen

188 up to one hundred eighty-five per cent of the federal poverty level
189 without an asset limit. Said medical assistance program shall also
190 provide coverage to persons under the age of nineteen and their
191 parents and needy caretaker relatives who qualify for coverage under
192 Section 1931 of the Social Security Act with family income up to one
193 hundred fifty per cent of the federal poverty level without an asset
194 limit, upon the request of such a person or upon a redetermination of
195 eligibility. Such levels shall be based on the regional differences in
196 such benefit amount, if applicable, unless such levels based on regional
197 differences are not in conformance with federal law. Any income in
198 excess of the applicable amounts shall be applied as may be required
199 by said federal law, and assistance shall be granted for the balance of
200 the cost of authorized medical assistance. All contracts entered into on
201 and after July 1, 1997, pursuant to this section shall include provisions
202 for collaboration of managed care organizations with the Healthy
203 Families Connecticut Program established pursuant to section 17a-56.
204 The Commissioner of Social Services shall provide applicants for
205 assistance under this section, at the time of application, with a written
206 statement advising them of the effect of an assignment or transfer or
207 other disposition of property on eligibility for benefits or assistance.

208 (b) For the purposes of the Medicaid program, the Commissioner of
209 Social Services shall consider parental income and resources as
210 available to a child under eighteen years of age who is living with his
211 or her parents and is blind or disabled for purposes of the Medicaid
212 program, or to any other child under twenty-one years of age who is
213 living with his or her parents.

214 (c) For the purposes of determining eligibility for the Medicaid
215 program, an available asset is one that is actually available to the
216 applicant or one that the applicant has the legal right, authority or
217 power to obtain or to have applied for the applicant's general or
218 medical support. If the terms of a trust provide for the support of an
219 applicant, the refusal of a trustee to make a distribution from the trust
220 does not render the trust an unavailable asset. Notwithstanding the
221 provisions of this subsection, the availability of funds in a trust or

222 similar instrument funded in whole or in part by the applicant or the
223 applicant's spouse shall be determined pursuant to the Omnibus
224 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of
225 this subsection shall not apply to special needs trust, as defined in 42
226 USC 1396p(d)(4)(A).

227 (d) The transfer of an asset in exchange for other valuable
228 consideration shall be allowable to the extent the value of the other
229 valuable consideration is equal to or greater than the value of the asset
230 transferred.

231 (e) On or before January 1, 2005, and annually thereafter, the
232 Department of Social Services shall submit a report to the joint
233 standing committee of the General Assembly having cognizance of
234 matters relating to human services, the Children's Health Council and
235 the Medicaid Managed Care Council, in accordance with section 11-4a,
236 which sets forth the following: The number of children receiving
237 Medicaid services; the number of children receiving medical treatment
238 at any state or municipal health care facility; the number of doctors
239 and dentists participating in state or municipally-funded programs;
240 and the percentage of children treated in medical programs whose
241 family income is less than one hundred thirty-three per cent of the
242 federal poverty level and the number of children whose family income
243 is greater than one hundred thirty-three per cent but not more than
244 one hundred eighty-five per cent of the federal poverty level. The
245 report shall be submitted to any member of the General Assembly
246 upon such member's request. A summary of the report shall be
247 submitted to each member of the General Assembly if the summary is
248 two pages or less and a notification of the report shall be submitted to
249 each member if the summary is more than two pages. Submission shall
250 be by mailing the report, summary or notification to the legislative
251 address of each member of the General Assembly.

252 [(e)] (f) The Commissioner of Social Services shall seek a waiver
253 from federal law to permit federal financial participation for Medicaid
254 expenditures for families with incomes of one hundred forty-three per

255 cent of the temporary family assistance program payment standard.

256 [(f) Notwithstanding the provisions of subsection (a) of this section,
257 on or after April 1, 2003, all parent and needy caretaker relatives with
258 incomes exceeding one hundred per cent of the federal poverty level,
259 who are receiving medical assistance pursuant to this section, shall be
260 ineligible for such medical assistance. On and after February 28, 2003,
261 the Department of Social Services shall not accept applications for
262 medical assistance program coverage under Section 1931 of the Social
263 Security Act from parent and needy caretaker relatives with incomes
264 exceeding one hundred per cent of the federal poverty level until on or
265 after July 1, 2005.]

266 (g) To the extent permitted by federal law, Medicaid eligibility shall
267 be extended for two years to a family who becomes ineligible for
268 medical assistance under Section 1931 of the Social Security Act while
269 employed or due to receipt of child support income or a family with an
270 adult who, within six months of becoming ineligible under Section
271 1931 of the Social Security Act becomes employed.

272 [(h) An institutionalized spouse applying for Medicaid and having a
273 spouse living in the community shall be required, to the maximum
274 extent permitted by law, to divert income to such community spouse
275 in order to raise the community spouse's income to the level of the
276 minimum monthly needs allowance, as described in Section 1924 of
277 the Social Security Act. Such diversion of income shall occur before the
278 community spouse is allowed to retain assets in excess of the
279 community spouse protected amount described in Section 1924 of the
280 Social Security Act. The Commissioner of Social Services, pursuant to
281 section 17b-10, may implement the provisions of this subsection while
282 in the process of adopting regulations, provided the commissioner
283 prints notice of intent to adopt the regulations in the Connecticut Law
284 Journal within twenty days of adopting such policy. Such policy shall
285 be valid until the time final regulations are effective.]

286 Sec. 4. Section 17b-292 of the general statutes, as amended by section

287 7 of public act 03-2 and section 56 of public act 03-3 of the June 30
288 special session, is repealed and the following is substituted in lieu
289 thereof (*Effective from passage*):

290 (a) A child who resides in a household with a family income which
291 exceeds one hundred eighty-five per cent of the federal poverty level
292 and does not exceed three hundred per cent of the federal poverty
293 level [may] shall be eligible for subsidized benefits under the HUSKY
294 Plan, Part B. [The services and cost-sharing requirements under the
295 HUSKY Plan, Part B shall be substantially similar to the services and
296 cost-sharing requirements of the largest commercially available health
297 plan offered by a managed care organization, as defined in section 38a-
298 478, offered to residents in this state as measured by the number of
299 covered lives reported to the Department of Insurance in the most
300 recent audited annual report.]

301 (b) A child who resides in a household with a family income over
302 three hundred per cent of the federal poverty level [may] shall be
303 eligible for unsubsidized benefits under the HUSKY Plan, Part B.

304 (c) Whenever a court or family support magistrate orders a
305 noncustodial parent to provide health insurance for a child, such
306 parent may provide for coverage under the HUSKY Plan, Part B.

307 (d) A child who has been determined to be eligible for benefits
308 under either the HUSKY Plan, Part A or Part B, shall remain eligible
309 for said plan for a period of twelve months from such child's
310 determination of eligibility, unless the child attains the age of nineteen
311 years or is no longer a resident of the state.

312 [(d)] (e) To the extent allowed under federal law, the commissioner
313 shall not pay for services or durable medical equipment under the
314 HUSKY Plan, Part B if the enrollee has other insurance coverage for
315 the services or such equipment.

316 [(e)] (f) A newborn child who otherwise meets the eligibility criteria
317 for the HUSKY Plan, Part B shall be eligible for benefits retroactive to

318 his date of birth, provided an application is filed on behalf of the child
319 within thirty days of such date.

320 (g) The commissioner shall implement presumptive eligibility for
321 children and pregnant women applying for Medicaid. Such
322 presumptive eligibility determinations shall be in accordance with
323 applicable federal law and regulations. The commissioner shall adopt
324 regulations, in accordance with the provisions of chapter 54, to
325 establish standards and procedures for the designation of
326 organizations as qualified entities to grant presumptive eligibility. In
327 establishing such regulations, the commissioner shall ensure the
328 representation of state-wide and local organizations that provide
329 services to children of all ages and pregnant women in each region of
330 the state.

331 [(f)] (h) The commissioner shall enter into a contract with an entity
332 to be a single point of entry servicer for applicants and enrollees under
333 the HUSKY Plan, Part A and Part B. The servicer shall jointly market
334 both Part A and Part B together as the HUSKY Plan. Such servicer shall
335 develop and implement public information and outreach activities
336 with community programs. Such servicer shall electronically transmit
337 data with respect to enrollment and disenrollment in the HUSKY Plan,
338 Part B to the commissioner who shall transmit such data to the
339 Children's Health Council.

340 (i) To the extent permitted by federal law, the single point of entry
341 servicer may be one of the entities authorized to grant presumptive
342 eligibility under the HUSKY Plan, Part A.

343 [(g)] (j) The single point of entry servicer shall send an application
344 and supporting documents to the commissioner for determination of
345 eligibility of a child who resides in a household with a family income
346 of one hundred eighty-five per cent or less of the federal poverty level.
347 The servicer shall enroll eligible beneficiaries in the applicant's choice
348 of managed care plan.

349 [(h)] (k) Not more than twelve months after the determination of

350 eligibility for benefits under the HUSKY Plan, Part A and Part B and
351 annually thereafter, the commissioner or the servicer, as the case may
352 be, shall determine if the child continues to be eligible for the plan. The
353 commissioner or the servicer shall mail an application form to each
354 participant in the plan for the purposes of obtaining information to
355 make a determination on eligibility. To the extent permitted by federal
356 law, in determining eligibility for benefits under the HUSKY Plan, Part
357 A and Part B with respect to family income, the commissioner or the
358 servicer shall rely upon information provided in such form by the
359 participant unless the commissioner or the servicer has reason to
360 believe that such information is inaccurate or incomplete. The
361 determination of eligibility shall be coordinated with health plan open
362 enrollment periods.

363 [(i)] (l) The commissioner shall implement the HUSKY Plan, Part B
364 while in the process of adopting necessary policies and procedures in
365 regulation form in accordance with the provisions of section 17b-10.

366 [(j)] (m) The commissioner shall adopt regulations, in accordance
367 with chapter 54, to establish residency requirements and income
368 eligibility for participation in the HUSKY Plan, Part B and procedures
369 for a simplified mail-in application process. Notwithstanding the
370 provisions of section 17b-257b, such regulations shall provide that any
371 child adopted from another country by an individual who is a citizen
372 of the United States and a resident of this state shall be eligible for
373 benefits under the HUSKY Plan, Part B upon arrival in this state.

374 Sec. 5. Section 17b-295 of the general statutes, as amended by section
375 55 of public act 03-3 of the June 30 special session, is repealed and the
376 following is substituted in lieu thereof (*Effective from passage*):

377 (a) The commissioner [shall impose cost-sharing requirements
378 including] may require the payment of a premium or copayment in
379 connection with services provided under the HUSKY Plan, Part B, [to
380 the extent permitted by federal law, and] in accordance with the
381 following limitations:

382 [(1) On and after October 1, 2003, the commissioner may increase
383 the maximum annual aggregate cost-sharing requirements provided
384 that such cost-sharing requirements shall not exceed five per cent of
385 the family's gross annual income. The commissioner may impose a
386 premium requirement on families, whose income exceeds one hundred
387 eighty-five per cent of the federal poverty level as a component of the
388 family's cost-sharing responsibility provided the family's annual
389 combined premiums and copayments do not exceed the maximum
390 annual aggregate cost-sharing requirement; and]

391 (1) On and after the effective date of this section, the commissioner
392 shall submit a schedule for the maximum annual aggregate cost
393 sharing for families with an income (A) which exceeds one hundred
394 eighty-five per cent of the federal poverty level but does not exceed
395 two hundred thirty-five per cent of the federal poverty level, and (B)
396 which exceeds two hundred thirty-five per cent of the federal poverty
397 level but does not exceed three hundred per cent of the federal poverty
398 level, to the joint standing committee of the General Assembly having
399 cognizance of matters relating to human services. Within fifteen days
400 of receipt of such schedule, said joint standing committee of the
401 General Assembly may advise the commissioner of its approval, denial
402 or modifications, if any, of the schedule; and

403 (2) The commissioner shall require each managed care plan to
404 monitor copayments and premiums under the provisions of
405 subdivision (1) of this subsection.

406 (b) (1) Except as provided in subdivision (2) of this subsection, the
407 commissioner may [impose limitations on the amount, duration and
408 scope of benefits under the HUSKY Plan, Part B] not impose
409 limitations on the amount, duration and scope of benefits under the
410 HUSKY Plan, Part B, which are medically necessary, unless such
411 limitations are approved in advance by the joint standing committee of
412 the General Assembly having cognizance of matters relating to human
413 services.

414 (2) The limitations adopted by the commissioner pursuant to
415 subdivision (1) of this subsection shall not preclude coverage of any
416 item of durable medical equipment or service that is medically
417 necessary.

418 Sec. 6. Subsection (c) of section 17b-297 of the general statutes, as
419 amended by section 57 of public act 03-3 of the June 30 special session,
420 is repealed and the following is substituted in lieu thereof (*Effective*
421 *from passage*):

422 (c) The commissioner shall, within available appropriations,
423 contract with qualified entities authorized to grant presumptive
424 eligibility, severe need schools and community-based organizations for
425 purposes of public education, outreach and recruitment of eligible
426 children, including the distribution of applications and information
427 regarding enrollment in the HUSKY Plan, Part A and Part B. In
428 awarding such contracts, the commissioner shall consider the
429 marketing, outreach and recruitment efforts of organizations. For the
430 purposes of this subsection, (1) "community-based organizations" shall
431 include, but not be limited to, day care centers, schools, school-based
432 health clinics, community-based diagnostic and treatment centers and
433 hospitals, and (2) "severe need school" means a school in which forty
434 per cent or more of the lunches served are served to students who are
435 eligible for free or reduced price lunches.

436 Sec. 7. Section 17b-290 of the general statutes, as amended by section
437 73 of public act 03-3 of the June 30 special session, is repealed and the
438 following is substituted in lieu thereof (*Effective from passage*):

439 As used in sections 17b-289 to 17b-303, inclusive, [section 72 of
440 public act 03-3 of the June 30 special session,] and section 16 of public
441 act 97-1 of the October 29 special session*:

442 (1) "Applicant" means an individual over the age of eighteen years
443 who is a natural or adoptive parent or a legal guardian; a caretaker
444 relative, foster parent or stepparent with whom the child resides; or a
445 noncustodial parent under order of a court or family support

446 magistrate to provide health insurance, who applies for coverage
447 under the HUSKY Plan, Part B on behalf of a child and shall include a
448 child who is eighteen years of age or emancipated in accordance with
449 the provisions of sections 46b-150 to 46b-150e, inclusive, and who is
450 applying on his own behalf or on behalf of a minor dependent for
451 coverage under such plan;

452 (2) "Child" means an individual under nineteen years of age;

453 (3) "Coinsurance" means the sharing of health care expenses by the
454 insured and an insurer in a specified ratio;

455 (4) "Commissioner" means the Commissioner of Social Services;

456 (5) "Coparent" means a person who shares parental responsibility
457 for a child, as provided pursuant to subdivision (3) of subsection (a) of
458 section 45a-724;

459 [(5)] (6) "Copayment" means a payment made on behalf of an
460 enrollee for a specified service under the HUSKY Plan, Part B;

461 [(6)] (7) "Cost sharing" means arrangements made on behalf of an
462 enrollee whereby an applicant pays a portion of the cost of health
463 services, sharing costs with the state and includes copayments,
464 premiums, deductibles and coinsurance;

465 [(7)] (8) "Deductible" means the amount of out-of-pocket expenses
466 that would be paid for health services on behalf of an enrollee before
467 becoming payable by the insurer;

468 [(8)] (9) "Department" means the Department of Social Services;

469 [(9)] (10) "Durable medical equipment" means durable medical
470 equipment, as defined in Section 1395x(n) of the Social Security Act;

471 [(10)] (11) "Eligible beneficiary" means a child who meets the
472 requirements specified in section 17b-292, as amended by this act,
473 except a child excluded under the provisions of Subtitle J of Public

474 Law 105-33 or a child of any municipal employee eligible for
475 employer-sponsored insurance on or after October 30, 1997, provided a
476 child of such a municipal employee may be eligible for coverage under
477 the HUSKY Plan, Part B if dependent coverage was terminated due to
478 an extreme economic hardship on the part of the employee, as
479 determined by the commissioner;

480 [(11)] (12) "Enrollee" means an eligible beneficiary who receives
481 services from a managed care plan under the HUSKY Plan, Part B;

482 [(12)] (13) "Family" means any combination of the following: (A) An
483 individual; (B) the individual's spouse or coparent; (C) any child of the
484 individual or such spouse or coparent; or (D) the legal guardian of any
485 such child if the guardian resides with the child;

486 [(13)] (14) "HUSKY Plan, Part A" means assistance provided to
487 children pursuant to section 17b-261, as amended by this act;

488 [(14)] (15) "HUSKY Plan, Part B" means the health insurance plan for
489 children established pursuant to the provisions of sections 17b-289 to
490 17b-303, inclusive, and section 16 of public act 97-1 of the October 29
491 special session*;

492 [(15)] (16) "HUSKY Plus programs" means two supplemental health
493 insurance programs established pursuant to section 17b-294 for
494 medically eligible enrollees of the HUSKY Plan, Part B whose medical
495 needs cannot be accommodated within the basic benefit package
496 offered to enrollees. One program shall supplement coverage for those
497 medically eligible enrollees with intensive physical health needs and
498 the other program shall supplement coverage for those medically
499 eligible enrollees with intensive behavioral health needs;

500 [(16)] (17) "Income" means income as calculated in the same manner
501 as under the Medicaid program pursuant to section 17b-261, as
502 amended by this act;

503 [(17)] (18) "Managed care plan" means a plan offered by an entity

504 that contracts with the department to provide benefits to enrollees on a
505 prepaid basis;

506 [(18)] (19) "Parent" means a natural parent, stepparent, adoptive
507 parent, guardian or custodian of a child;

508 [(19)] (20) "Premium" means any required payment made by an
509 individual to offset or pay in full the capitation rate under the HUSKY
510 Plan, Part B;

511 [(20)] (21) "Preventive care and services" means: (A) Child
512 preventive care, including periodic and interperiodic well-child visits,
513 routine immunizations, health screenings and routine laboratory tests;
514 (B) prenatal care, including care of all complications of pregnancy; (C)
515 care of newborn infants, including attendance at high-risk deliveries
516 and normal newborn care; (D) WIC evaluations; (E) child abuse
517 assessment required under sections 17a-106a and 46b-129a; (F)
518 preventive dental care for children; and (G) periodicity schedules and
519 reporting based on the standards specified by the American Academy
520 of Pediatrics;

521 [(21)] (22) "Primary and preventive health care services" means the
522 services of licensed physicians, optometrists, nurses, nurse
523 practitioners, midwives and other related health care professionals
524 which are provided on an outpatient basis, including routine well-
525 child visits, diagnosis and treatment of illness and injury, laboratory
526 tests, diagnostic x-rays, prescription drugs, radiation therapy,
527 chemotherapy, hemodialysis, emergency room services, and outpatient
528 alcohol and substance abuse services, as defined by the commissioner;

529 [(22)] (23) "Qualified entity" means any entity: (A) Eligible for
530 payments under a state plan approved under Medicaid and which
531 provides medical services under the HUSKY Plan, Part A, or (B) that is
532 a qualified entity, as defined in 42 USC 1396r-1a, as amended by
533 Section 708 of Public Law 106-554 and that is determined by the
534 commissioner to be capable of making the determination of eligibility.
535 The commissioner shall provide qualified entities with such forms as

536 are necessary for an application to be made on behalf of a child under
537 the HUSKY Plan, Part A and information on how to assist parents,
538 guardians and other persons in completing and filing such forms;

539 [(23)] (24) "WIC" means the federal Special Supplemental Food
540 Program for Women, Infants and Children administered by the
541 Department of Public Health pursuant to section 19a-59c.

542 Sec. 8. (NEW) (*Effective from passage*) (a) The HUSKY Plan, Part B
543 shall provide the following minimum benefit coverage:

544 (1) No copayments for preventive care and services;

545 (2) No copayments for inpatient physician and hospital, outpatient
546 surgical, ambulance and for emergency medical conditions, skilled
547 nursing, home health, hospice and short-term rehabilitation and
548 physical therapy, occupational and speech therapies, laboratory and x-
549 ray, preadmission testing, prosthetics, durable medical equipment
550 other than powered wheelchairs, dental exams every six months, x-
551 rays, fillings, fluoride treatments and oral surgery. For purposes of this
552 subdivision, in accordance with the National Committee for Quality
553 Assurance, an emergency medical condition is a condition such that a
554 prudent layperson, acting reasonably, would have believed that
555 emergency medical treatment is needed;

556 (3) Outpatient physician visits, hearing examinations, nurse
557 midwives, nurse practitioners, podiatrists, chiropractors and
558 natureopaths;

559 (4) Prescription drugs;

560 (5) Eye care and optical hardware;

561 (6) Orthodontia;

562 (7) Mental health inpatient maximum of sixty days with allowable
563 substitution of alternative levels of care and outpatient maximum of
564 thirty visits with supplemental coverage available under a HUSKY

565 Plus program for medically eligible enrollees, provided coverage
566 under the HUSKY Plan, Part B and HUSKY Plus programs shall be
567 consistent with the provisions of the Mental Health Parity Act, Public
568 Law 104-204, sections 38a-488a, 38a-514 and 38a-533 of the general
569 statutes;

570 (8) Substance abuse, detoxification and inpatient for drugs sixty
571 days and alcohol forty-five days and outpatient sixty visits per
572 calendar year maximum with supplemental coverage available under a
573 HUSKY Plus program for medically eligible enrollees;

574 (9) Under the HUSKY Plan, Part B no deductibles shall be charged,
575 no preexisting condition exclusion shall be applied and there shall be
576 no annual or lifetime benefit maximums and no coinsurance.

577 (b) The Commissioner of Social Services may establish a schedule of
578 reasonable copayments for coverage provided under subdivisions (3)
579 to (8), inclusive, of subsection (a) of this section.

580 Sec. 9. Subsection (a) of section 17b-112c of the general statutes is
581 repealed and the following is substituted in lieu thereof (*Effective from*
582 *passage*):

583 (a) Qualified aliens, as defined in Section 431 of Public Law 104-193,
584 who do not qualify for federally-funded cash assistance, other lawfully
585 residing immigrant aliens or aliens who formerly held the status of
586 permanently residing under color of law shall be eligible for solely
587 state-funded temporary family assistance or cash assistance under the
588 state-administered general assistance program, provided other
589 conditions of eligibility are met. An individual who is granted
590 assistance under this section must pursue citizenship to the maximum
591 extent allowed by law as a condition of eligibility unless incapable of
592 doing so due to a medical problem, language barrier or other reason as
593 determined by the Commissioner of Social Services. Notwithstanding
594 the provisions of this section, any qualified alien or other lawfully
595 residing immigrant alien or alien who formerly held the status of
596 permanently residing under color of law who is a victim of domestic

597 violence or who has mental retardation shall be eligible for assistance
598 under this section. [The commissioner shall not accept new
599 applications for assistance under this subsection after June 30, 2003.]

600 Sec. 10. Section 17b-257b of the general statutes is repealed and the
601 following is substituted in lieu thereof (*Effective from passage*):

602 Qualified aliens, as defined in Section 431 of Public Law 104-193,
603 admitted into the United States on or after August 22, 1996, other
604 lawfully residing immigrant aliens or aliens who formerly held the
605 status of permanently residing under color of law who have been
606 determined eligible for Medicaid or for state-administered general
607 assistance medical aid prior to July 1, 1997, may be eligible for state-
608 funded medical assistance which shall provide coverage to the same
609 extent as the Medicaid program, state-administered general assistance
610 medical aid or the HUSKY Plan, Part B provided other conditions of
611 eligibility are met. Such qualified aliens or lawfully residing immigrant
612 aliens or aliens who formerly held the status of permanently residing
613 under color of law who have not been determined eligible for
614 Medicaid or for state-administered general assistance medical aid prior
615 to July 1, 1997, shall be eligible for state-funded assistance or the
616 HUSKY Plan, Part B subsequent to six months from establishing
617 residency in this state. [The Commissioner of Social Services shall not
618 accept applications for assistance pursuant to this section on or after
619 June 30, 2003.] Notwithstanding the provisions of this section, any
620 qualified alien or other lawfully residing immigrant alien or alien who
621 formerly held the status of permanently residing under color of law
622 who is a victim of domestic violence or who has mental retardation
623 shall be eligible for state-funded assistance or the HUSKY Plan, Part B
624 pursuant to this section. Only individuals who are not eligible for
625 Medicaid shall be eligible for state-funded assistance pursuant to this
626 section.

627 Sec. 11. Subsection (a) of section 17b-342 of the general statutes is
628 repealed and the following is substituted in lieu thereof (*Effective from*
629 *passage*):

630 (a) The Commissioner of Social Services shall administer the
631 Connecticut home-care program for the elderly state-wide in order to
632 prevent the institutionalization of elderly persons (1) who are
633 recipients of medical assistance, (2) who are eligible for such
634 assistance, (3) who would be eligible for medical assistance if residing
635 in a nursing facility, or (4) who meet the criteria for the state-funded
636 portion of the program under subsection (i) of this section. For
637 purposes of this section, a long-term care facility is a facility which has
638 been federally certified as a skilled nursing facility or intermediate care
639 facility. The commissioner shall make any revisions in the state
640 Medicaid plan required by Title XIX of the Social Security Act prior to
641 implementing the program. The annualized cost of the community-
642 based services provided to such persons under the program shall not
643 exceed sixty per cent of the weighted average cost of care in skilled
644 nursing facilities and intermediate care facilities. The program shall be
645 structured so that the net cost to the state for long-term facility care in
646 combination with the community-based services under the program
647 shall not exceed the net cost the state would have incurred without the
648 program. The commissioner shall investigate the possibility of
649 receiving federal funds for the program and shall apply for any
650 necessary federal waivers. A recipient of services under the program,
651 and the estate and legally liable relatives of the recipient, shall be
652 responsible for reimbursement to the state for such services to the
653 same extent required of a recipient of assistance under the state
654 supplement program, medical assistance program, temporary family
655 assistance program or food stamps program. Only a United States
656 citizen or a noncitizen who meets the citizenship requirements for
657 eligibility under the Medicaid program shall be eligible for home-care
658 services under this section, except a qualified alien, as defined in
659 Section 431 of Public Law 104-193, admitted into the United States on
660 or after August 22, 1996, or other lawfully residing immigrant alien
661 determined eligible for services under this section prior to July 1, 1997,
662 shall remain eligible for such services. [The Commissioner of Social
663 Services shall not accept applications for assistance pursuant to this
664 section from a qualified alien, as defined in Section 431 of Public Law

665 104-193, or other lawfully residing immigrant alien after June 30, 2003.]
666 Qualified aliens or other lawfully residing immigrant aliens not
667 determined eligible prior to July 1, 1997, shall be eligible for services
668 under this section subsequent to six months from establishing
669 residency. Notwithstanding the provisions of this subsection, any
670 qualified alien or other lawfully residing immigrant alien or alien who
671 formerly held the status of permanently residing under color of law
672 who is a victim of domestic violence or who has mental retardation
673 shall be eligible for assistance pursuant to this section. Qualified aliens,
674 as defined in Section 431 of Public Law 104-193, or other lawfully
675 residing immigrant aliens or aliens who formerly held the status of
676 permanently residing under color of law shall be eligible for services
677 under this section provided other conditions of eligibility are met.

678 Sec. 12. Subsection (a) of section 17b-790a of the general statutes is
679 repealed and the following is substituted in lieu thereof (*Effective from*
680 *passage*):

681 (a) The Commissioner of Social Services, within available
682 appropriations, shall establish a food assistance program for
683 individuals entering the United States prior to April 1, 1998, whose
684 immigrant status meets the eligibility requirements of the federal Food
685 Stamp Act of 1977, as amended, but who are no longer eligible for food
686 stamps solely due to their immigrant status under Public Law 104-193.
687 [The commissioner shall not accept new applications for assistance
688 under this section after June 30, 2003.] Individuals who enter the
689 United States after April 1, 1998, must have resided in the state for six
690 months prior to becoming eligible for the state program. The
691 commissioner may administer such program in accordance with the
692 provisions of the federal food stamp program, except those pertaining
693 to the determination of immigrant status under Public Law 104-193.

694 Sec. 13. Subsections (d) and (e) of section 12-344 of the general
695 statutes, as amended by section 94 of public act 03-1 of the June 30
696 special session, are repealed and the following is substituted in lieu
697 thereof (*Effective from passage and applicable to transfers from estates of*

698 *decedents who die on or after March 1, 2004):*

699 (d) The tax under this section applicable to the net taxable estate of
700 any transferor, whose death occurs on or after January 1, 1999, passing
701 to a class B beneficiary shall be imposed as follows: (1) If the death of
702 the transferor occurs on or after January 1, 1999, but prior to January 1,
703 2000, at the rate of (A) six per cent on the amount in excess of two
704 hundred thousand dollars in value to and including two hundred fifty
705 thousand dollars, (B) seven per cent on the amount in excess of two
706 hundred fifty thousand dollars in value to and including four hundred
707 thousand dollars, (C) eight per cent on the amount in excess of four
708 hundred thousand dollars in value to and including six hundred
709 thousand dollars, (D) nine per cent on the amount in excess of six
710 hundred thousand dollars in value to and including one million
711 dollars, and (E) ten per cent on the amount in excess of one million
712 dollars in value, (2) if the death of the transferor occurs on or after
713 January 1, 2000, but prior to January 1, 2001, at the rate of (A) eight per
714 cent on the amount in excess of four hundred thousand dollars in
715 value to and including six hundred thousand dollars, (B) nine per cent
716 on the amount in excess of six hundred thousand dollars in value to
717 and including one million dollars, and (C) ten per cent on the amount
718 in excess of one million dollars in value, (3) if the death of the
719 transferor occurs on or after January 1, 2001, but prior to January 1,
720 [2005] 2007, at the rate of (A) nine per cent on the amount in excess of
721 six hundred thousand dollars in value to and including one million
722 dollars, and (B) ten per cent on the amount in excess of one million
723 dollars in value, (4) if the death of the transferor occurs on or after
724 January 1, [2005] 2007, but prior to January 1, [2006] 2008, at the rate of
725 eight per cent on the amount in excess of one million five hundred
726 thousand dollars in value, and (5) if the death of the transferor occurs
727 on or after January 1, [2006] 2008, the net taxable estate passing to a
728 class B beneficiary shall not be subject to tax under this chapter.

729 (e) The tax under this section applicable to the net taxable estate of
730 any transferor, whose death occurs on or after January 1, 2001, passing
731 to a class C beneficiary shall be imposed as follows: (1) If the death of

732 the transferor occurs on or after January 1, 2001, but prior to January 1,
733 [2005] 2007, at the rate of (A) ten per cent on the amount in excess of
734 two hundred thousand dollars in value to and including two hundred
735 fifty thousand dollars, (B) eleven per cent on the amount in excess of
736 two hundred fifty thousand dollars in value to and including four
737 hundred thousand dollars, (C) twelve per cent on the amount in excess
738 of four hundred thousand dollars in value to and including six
739 hundred thousand dollars, (D) thirteen per cent on the amount in
740 excess of six hundred thousand dollars in value to and including one
741 million dollars, and (E) fourteen per cent on the amount in excess of
742 one million dollars in value, (2) if the death of the transferor occurs on
743 or after January 1, [2005] 2007, but prior to January 1, [2006] 2008, at
744 the rate of (A) twelve per cent on the amount in excess of four hundred
745 thousand dollars in value to and including six hundred thousand
746 dollars, (B) thirteen per cent on the amount in excess of six hundred
747 thousand dollars in value to and including one million dollars, and (C)
748 fourteen per cent on the amount in excess of one million dollars in
749 value, (3) if the death of the transferor occurs on or after January 1,
750 [2006] 2008, but prior to January 1, [2007] 2009, at the rate of (A)
751 thirteen per cent on the amount in excess of six hundred thousand
752 dollars in value to and including one million dollars, and (B) fourteen
753 per cent on the amount in excess of one million dollars in value, (4) if
754 the death of the transferor occurs on or after January 1, [2007] 2009, but
755 prior to January 1, [2008] 2010, at the rate of fourteen per cent on the
756 amount in excess of one million five hundred thousand dollars in
757 value, and (5) if the death of the transferor occurs on or after January 1,
758 [2008] 2010, the net taxable estate passing to a class C beneficiary shall
759 not be subject to tax under this chapter.

760 Sec. 14. (NEW) (*Effective from passage, and applicable to taxable years*
761 *commencing on or after January 1, 2004*) (a) Notwithstanding any
762 provision of the general statutes, no credit against the corporate
763 business tax may be taken by any entity employing fifty or more
764 persons that, within the previous taxable year, (1) has cancelled health
765 insurance coverage for such entity's retirees or reduced health

766 insurance coverage for such entity's retirees without imposing the
767 same reductions on such entity's current employees, or (2) does not
768 offer or ceases to offer, employer-subsidized health insurance to its
769 employees.

770 (b) Notwithstanding any provision of the general statutes, no grants
771 or loans from any state agency may be given to any entity employing
772 fifty or more persons that, within the previous taxable year, (1) has
773 cancelled health insurance coverage for such entity's retirees or
774 reduced health insurance coverage for such entity's retirees without
775 imposing the same reductions on such entity's current employees, or
776 (2) does not offer or ceases to offer, employer-subsidized health
777 insurance to its employees.

778 (c) The Department of Economic and Community Development
779 shall transfer to the Department of Social Services an amount equal to
780 the amount of the funds applied for as a loan or grant whenever such
781 application is rejected on the ground that the entity applying for such
782 loan or grant is ineligible pursuant to subsection (b) of this section.

783 (d) The Commissioner of Revenue Services, in consultation with the
784 Commissioner of Economic and Community Development, shall adopt
785 regulations, in accordance with the provisions of chapter 54 of the
786 general statutes, to implement the provisions of this section.

787 Sec. 15. Section 12-390a of the general statutes is repealed and the
788 following is substituted in lieu thereof (*Effective from passage and*
789 *applicable to transfers occurring on or after January 1, 2005*):

790 The terms "generation-skipping transfer", "taxable distribution", and
791 "taxable termination" have the same meaning as defined in Chapter 13
792 of Subtitle B of the Internal Revenue Code of 1986, or any subsequent
793 corresponding internal revenue code of the United States, [as from
794 time to time amended] in effect as of January 1, 2001.

795 Sec. 16. Section 12-390b of the general statutes is repealed and the
796 following is substituted in lieu thereof (*Effective from passage and*

797 applicable to transfers occurring on or after January 1, 2005):

798 (a) A tax is hereby imposed upon every generation-skipping
799 transfer, where the original transferor is a resident of this state at the
800 date of the original transfer. The amount of the tax shall be the amount
801 of the federal credit allowable for generation-skipping transfer tax paid
802 to any state under the provisions of the federal internal revenue code
803 in [force at the date of such generation-skipping transfer] effect as of
804 January 1, 2001, in respect to any property included in the generation-
805 skipping transfer. If any such property is real or tangible personal
806 property located outside this state and is subject to generation-
807 skipping transfer taxes by any state or states other than the state of
808 Connecticut for which such federal credit is allowable, the amount of
809 tax due under this section shall be reduced by the lesser of (1) the
810 amount of any such taxes paid to such other state or states and allowed
811 as a credit against the federal generation-skipping transfer tax in effect
812 as of January 1, 2001; or (2) an amount computed by multiplying such
813 federal credit by a fraction, (A) the numerator of which is the value of
814 all transferred real and tangible personal property which is subject to
815 generation-skipping transfer taxes and over which such other state or
816 states have jurisdiction for generation-skipping transfer tax purposes
817 to the same extent to which this state would exert jurisdiction for
818 generation-skipping transfer tax purposes under this chapter with
819 respect to the residents of such other state or states, and (B) the
820 denominator of which is the value of all transferred property which is
821 subject to generation-skipping transfer taxes, wherever located.

822 (b) A tax is hereby imposed upon every generation-skipping
823 transfer, where the original transferor is not a resident of this state at
824 the date of the original transfer but where the generation-skipping
825 transfer includes real or tangible personal property located in this
826 state. The amount of the tax shall be computed by multiplying (1) the
827 federal credit allowable for generation-skipping transfer tax paid to
828 any state or states under the provisions of the federal internal revenue
829 code in [force at the date of such generation-skipping transfer] effect as
830 of January 1, 2001, in respect to any property included in the

831 generation-skipping transfer by (2) a fraction, (A) the numerator of
832 which is the value of all transferred real and tangible personal
833 property which is subject to generation-skipping transfer taxes, which
834 is located in this state and over which this state has jurisdiction for
835 generation-skipping transfer tax purposes, and (B) the denominator of
836 which is the value of all transferred property which is subject to
837 generation-skipping transfer taxes, wherever located.

838 (c) For purposes of subsections (a) and (b) of this section, property
839 shall have the same value that it has for federal generation-skipping
840 transfer tax purposes as provided in the Internal Revenue Code of
841 1986, or any subsequent corresponding internal revenue code of the
842 United States, in effect as of January 1, 2001.

843 Sec. 17. Subsections (a) to (c), inclusive, of section 12-391 of the
844 general statutes are repealed and the following is substituted in lieu
845 thereof (*Effective from passage and applicable to estates of decedents who die*
846 *on or after January 1, 2005*):

847 (a) A tax is imposed upon the transfer of the estate of each person
848 who at the time of death was a resident of this state. The amount of the
849 tax shall be the amount of the federal credit allowable for estate,
850 inheritance, legacy and succession taxes paid to any state or the
851 District of Columbia under the provisions of the federal internal
852 revenue code in [force at the date of such decedent's death] effect as of
853 January 1, 2001, in respect to any property owned by such decedent or
854 subject to such taxes as part of or in connection with the estate of such
855 decedent. If real or tangible personal property of such decedent is
856 located outside of this state and is subject to estate, inheritance, legacy,
857 or succession taxes by any state or states, other than the state of
858 Connecticut, or by the District of Columbia for which such federal
859 credit is allowable, the amount of tax due under this section shall be
860 reduced by the lesser of: (1) The amount of any such taxes paid to such
861 other state or states or said district and allowed as a credit against the
862 federal estate tax in effect as of January 1, 2001; or (2) an amount
863 computed by multiplying such federal credit by a fraction, (A) the

864 numerator of which is the value of that part of the decedent's gross
865 estate over which such other state or states or said district have
866 jurisdiction for estate tax purposes to the same extent to which this
867 state would assert jurisdiction for estate tax purposes under this
868 chapter with respect to the residents of such other state or states or
869 said district, and (B) the denominator of which is the value of the
870 decedent's gross estate. Property of a resident estate over which this
871 state has jurisdiction for estate tax purposes includes real property
872 situated in this state, tangible personal property having an actual situs
873 in this state, and intangible personal property owned by the decedent,
874 regardless of where it is located. The amount of any estate tax imposed
875 under this subsection shall also be reduced, but not below zero, by the
876 amount of any tax that is imposed under chapter 216 and that is
877 actually paid to this state.

878 (b) A tax is imposed upon the transfer of the estate of each person
879 who at the time of death was a nonresident of this state, the amount of
880 which shall be computed by multiplying (1) the federal credit
881 allowable for estate, inheritance, legacy, and succession taxes paid to
882 any state or states or the District of Columbia under the provisions of
883 the federal internal revenue code in [force at the date of such
884 decedent's death] effect as of January 1, 2001, in respect to any
885 property owned by such decedent or subject to such taxes as a part of
886 or in connection with the estate of such decedent by (2) a fraction, (A)
887 the numerator of which is the value of that part of the decedent's gross
888 estate over which this state has jurisdiction for estate tax purposes, and
889 (B) the denominator of which is the value of the decedent's gross
890 estate. Property of a nonresident estate over which this state has
891 jurisdiction for estate tax purposes includes real property situated in
892 this state and tangible personal property having an actual situs in this
893 state. The amount of any estate tax imposed under this subsection shall
894 also be reduced, but not below zero, by the amount of any tax that is
895 imposed under chapter 216 and that is actually paid to this state.

896 (c) For purposes of subsections (a) and (b) of this section, "gross
897 estate" means the gross estate, for federal estate tax purposes as

898 provided in the Internal Revenue Code of 1986, or any subsequent
 899 corresponding internal revenue code of the United States, in effect as
 900 of January 1, 2001.

901 Sec. 18. (*Effective from passage*) (a) The sum of seven hundred fifty
 902 thousand dollars is appropriated to the Department of Social Services,
 903 from the General Fund, for the fiscal year ending June 30, 2004, for the
 904 Children's Health Council.

905 (b) The sum of fifteen million dollars is appropriated to the
 906 Department of Social Services, from the General Fund, for the fiscal
 907 year ending June 30, 2005, for disproportionate share-hospital.

908 Sec. 19. (*Effective from passage*) Sections 69, 72 and 85 of public act 03-
 909 3 of the June 30 special session and section 11 of public act 03-1 of the
 910 September 8 special session are repealed.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>
Sec. 9	<i>from passage</i>
Sec. 10	<i>from passage</i>
Sec. 11	<i>from passage</i>
Sec. 12	<i>from passage</i>
Sec. 13	<i>from passage and applicable to transfers from estates of decedents who die on or after March 1, 2004</i>
Sec. 14	<i>from passage, and applicable to taxable years commencing on or after January 1, 2004</i>
Sec. 15	<i>from passage and applicable to transfers occurring on or after January 1, 2005</i>
Sec. 16	<i>from passage and applicable to transfers occurring on or after January 1, 2005</i>

Sec. 17	<i>from passage and applicable to estates of decedents who die on or after January 1, 2005</i>
Sec. 18	<i>from passage</i>
Sec. 19	<i>from passage</i>

PH

Joint Favorable Subst. C/R

APP