



General Assembly

January Session, 2005

**Raised Bill No. 6438**

LCO No. 2888

\*           HB06438HS\_APP020105           \*

Referred to Committee on Human Services

Introduced by:  
(HS)

**AN ACT CONCERNING RESTORATION OF HUSKY PLAN, PART A  
BENEFITS FOR PARENTS AND NEEDY CARETAKER RELATIVES.**

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

1       Section 1. Section 17b-261 of the general statutes is repealed and the  
2       following is substituted in lieu thereof (*Effective from passage*):

3       (a) Medical assistance shall be provided for any otherwise eligible  
4       person whose income, including any available support from legally  
5       liable relatives and the income of the person's spouse or dependent  
6       child, is not more than one hundred forty-three per cent, pending  
7       approval of a federal waiver applied for pursuant to subsection (d) of  
8       this section, of the benefit amount paid to a person with no income  
9       under the temporary family assistance program in the appropriate  
10      region of residence and if such person is an institutionalized  
11      individual, as defined in Section 1917(c) of the Social Security Act, 42  
12      USC 1396p(c), and has not made an assignment or transfer or other  
13      disposition of property for less than fair market value for the purpose  
14      of establishing eligibility for benefits or assistance under this section.  
15      Any such disposition shall be treated in accordance with Section  
16      1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of

17 property made on behalf of an applicant or recipient or the spouse of  
18 an applicant or recipient by a guardian, conservator, person  
19 authorized to make such disposition pursuant to a power of attorney  
20 or other person so authorized by law shall be attributed to such  
21 applicant, recipient or spouse. A disposition of property ordered by a  
22 court shall be evaluated in accordance with the standards applied to  
23 any other such disposition for the purpose of determining eligibility.  
24 The commissioner shall establish the standards for eligibility for  
25 medical assistance at one hundred forty-three per cent of the benefit  
26 amount paid to a family unit of equal size with no income under the  
27 temporary family assistance program in the appropriate region of  
28 residence, pending federal approval, except that the medical assistance  
29 program shall provide coverage to persons under the age of nineteen  
30 up to one hundred eighty-five per cent of the federal poverty level  
31 without an asset limit. Said medical assistance program shall also  
32 provide coverage to persons under the age of nineteen and their  
33 parents and needy caretaker relatives who qualify for coverage under  
34 Section 1931 of the Social Security Act with family income up to one  
35 hundred fifty per cent of the federal poverty level without an asset  
36 limit, upon the request of such a person or upon a redetermination of  
37 eligibility. Such levels shall be based on the regional differences in  
38 such benefit amount, if applicable, unless such levels based on regional  
39 differences are not in conformance with federal law. Any income in  
40 excess of the applicable amounts shall be applied as may be required  
41 by said federal law, and assistance shall be granted for the balance of  
42 the cost of authorized medical assistance. All contracts entered into on  
43 and after July 1, 1997, pursuant to this section shall include provisions  
44 for collaboration of managed care organizations with the Healthy  
45 Families Connecticut Program established pursuant to section 17a-56.  
46 The Commissioner of Social Services shall provide applicants for  
47 assistance under this section, at the time of application, with a written  
48 statement advising them of the effect of an assignment or transfer or  
49 other disposition of property on eligibility for benefits or assistance.

50 (b) For the purposes of the Medicaid program, the Commissioner of

51 Social Services shall consider parental income and resources as  
52 available to a child under eighteen years of age who is living with his  
53 or her parents and is blind or disabled for purposes of the Medicaid  
54 program, or to any other child under twenty-one years of age who is  
55 living with his or her parents.

56 (c) For the purposes of determining eligibility for the Medicaid  
57 program, an available asset is one that is actually available to the  
58 applicant or one that the applicant has the legal right, authority or  
59 power to obtain or to have applied for the applicant's general or  
60 medical support. If the terms of a trust provide for the support of an  
61 applicant, the refusal of a trustee to make a distribution from the trust  
62 does not render the trust an unavailable asset. Notwithstanding the  
63 provisions of this subsection, the availability of funds in a trust or  
64 similar instrument funded in whole or in part by the applicant or the  
65 applicant's spouse shall be determined pursuant to the Omnibus  
66 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of  
67 this subsection shall not apply to special needs trust, as defined in 42  
68 USC 1396p(d)(4)(A).

69 (d) The transfer of an asset in exchange for other valuable  
70 consideration shall be allowable to the extent the value of the other  
71 valuable consideration is equal to or greater than the value of the asset  
72 transferred.

73 (e) The Commissioner of Social Services shall seek a waiver from  
74 federal law to permit federal financial participation for Medicaid  
75 expenditures for families with incomes of one hundred forty-three per  
76 cent of the temporary family assistance program payment standard.

77 [(f) Notwithstanding the provisions of subsection (a) of this section,  
78 on or after April 1, 2003, all parent and needy caretaker relatives with  
79 incomes exceeding one hundred per cent of the federal poverty level,  
80 who are receiving medical assistance pursuant to this section, shall be  
81 ineligible for such medical assistance. On and after February 28, 2003,  
82 the Department of Social Services shall not accept applications for

83 medical assistance program coverage under Section 1931 of the Social  
84 Security Act from parent and needy caretaker relatives with incomes  
85 exceeding one hundred per cent of the federal poverty level until on or  
86 after July 1, 2005.]

87 [(g)] (f) To the extent permitted by federal law, Medicaid eligibility  
88 shall be extended for two years to a family that becomes ineligible for  
89 medical assistance under Section 1931 of the Social Security Act while  
90 one of its members who is a caretaker relative is employed or due to  
91 receipt of child support income or a family with an adult who, within  
92 six months of becoming ineligible under Section 1931 of the Social  
93 Security Act becomes employed.

94 [(h)] (g) An institutionalized spouse applying for Medicaid and  
95 having a spouse living in the community shall be required, to the  
96 maximum extent permitted by law, to divert income to such  
97 community spouse in order to raise the community spouse's income to  
98 the level of the minimum monthly needs allowance, as described in  
99 Section 1924 of the Social Security Act. Such diversion of income shall  
100 occur before the community spouse is allowed to retain assets in excess  
101 of the community spouse protected amount described in Section 1924  
102 of the Social Security Act. The Commissioner of Social Services,  
103 pursuant to section 17b-10, may implement the provisions of this  
104 subsection while in the process of adopting regulations, provided the  
105 commissioner prints notice of intent to adopt the regulations in the  
106 Connecticut Law Journal within twenty days of adopting such policy.  
107 Such policy shall be valid until the time final regulations are effective.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-261

**HS**

*Joint Favorable C/R*

**APP**