



General Assembly

Substitute Bill No. 1323

January Session, 2005

* SB01323HS_APP032905 *

AN ACT CONCERNING THE ADMINISTRATION OF THE HUSKY PLAN, PART A AND PART B.

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 Section 17b-261 of the general statutes is repealed and the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 eighty-five per cent of the federal poverty level without an
36 asset limit, upon the request of such a person or upon a
37 redetermination of eligibility. Such levels shall be based on the
38 regional differences in such benefit amount, if applicable, unless such
39 levels based on regional differences are not in conformance with
40 federal law. Any income in excess of the applicable amounts shall be
41 applied as may be required by said federal law, and assistance shall be
42 granted for the balance of the cost of authorized medical assistance. All
43 contracts entered into on and after July 1, 1997, pursuant to this section
44 shall include provisions for collaboration of managed care
45 organizations with the Healthy Families Connecticut Program
46 established pursuant to section 17a-56. The Commissioner of Social
47 Services shall provide applicants for assistance under this section, at
48 the time of application, with a written statement advising them of the
49 effect of an assignment or transfer or other disposition of property on
50 eligibility for benefits or assistance.

51 (b) For the purposes of the Medicaid program, the Commissioner of
52 Social Services shall consider parental income and resources as
53 available to a child under eighteen years of age who is living with his

54 or her parents and is blind or disabled for purposes of the Medicaid
55 program, or to any other child under twenty-one years of age who is
56 living with his or her parents.

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

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

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

78 [(f) Notwithstanding the provisions of subsection (a) of this section,
79 on or after April 1, 2003, all parent and needy caretaker relatives with
80 incomes exceeding one hundred per cent of the federal poverty level,
81 who are receiving medical assistance pursuant to this section, shall be
82 ineligible for such medical assistance. On and after February 28, 2003,
83 the Department of Social Services shall not accept applications for
84 medical assistance program coverage under Section 1931 of the Social
85 Security Act from parent and needy caretaker relatives with incomes

86 exceeding one hundred per cent of the federal poverty level until on or
87 after July 1, 2005.]

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

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

109 Sec. 2. Subsection (b) of section 17b-289 of the general statutes is
110 repealed and the following is substituted in lieu thereof (*Effective July*
111 *1, 2005*):

112 (b) Children, caretaker relatives and pregnant women receiving
113 assistance under section 17b-261, as amended by this act, shall be
114 participants in the HUSKY Plan, Part A and children receiving
115 assistance under sections 17b-289 to 17b-303, inclusive, as amended by
116 this act, and section 16 of public act 97-1 of the October 29 special
117 session* shall be participants in the HUSKY Plan, Part B. For purposes

118 of marketing and outreach, both parts shall be known as the HUSKY
119 Plan.

120 Sec. 3. Section 17b-290 of the general statutes is repealed and the
121 following is substituted in lieu thereof (*Effective July 1, 2005*):

122 As used in sections [17b-261f and] 17b-289 to 17b-303, inclusive, as
123 amended by this act, and section 16 of public act 97-1 of the October 29
124 special session*:

125 (1) "Applicant" means an individual over the age of eighteen years
126 who is a natural or adoptive parent or a legal guardian; a caretaker
127 relative, foster parent or stepparent with whom the child resides; or a
128 noncustodial parent under order of a court or family support
129 magistrate to provide health insurance, who applies for coverage
130 under the HUSKY Plan, Part B on behalf of a child and shall include a
131 child who is eighteen years of age or emancipated in accordance with
132 the provisions of sections 46b-150 to 46b-150e, inclusive, and who is
133 applying on his own behalf or on behalf of a minor dependent for
134 coverage under such plan;

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

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

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

139 (5) "Copayment" means a payment made on behalf of an enrollee for
140 a specified service under the HUSKY Plan, Part B;

141 (6) "Cost sharing" means arrangements made on behalf of an
142 enrollee whereby an applicant pays a portion of the cost of health
143 services, sharing costs with the state and includes copayments,
144 premiums, deductibles and coinsurance;

145 (7) "Deductible" means the amount of out-of-pocket expenses that
146 would be paid for health services on behalf of an enrollee before

147 becoming payable by the insurer;

148 (8) "Department" means the Department of Social Services;

149 (9) "Durable medical equipment" means durable medical
150 equipment, as defined in Section 1395x(n) of the Social Security Act;

151 (10) "Eligible beneficiary" means a child who meets the
152 requirements specified in section 17b-292, as amended by this act,
153 except a child excluded under the provisions of Subtitle J of Public
154 Law 105-33 or a child of any municipal employee eligible for
155 employer-sponsored insurance on or after October 30, 1997, provided a
156 child of such a municipal employee may be eligible for coverage under
157 the HUSKY Plan, Part B if dependent coverage was terminated due to
158 an extreme economic hardship on the part of the employee, as
159 determined by the commissioner;

160 (11) "Enrollee" means an eligible beneficiary who receives services
161 from a managed care plan under the HUSKY Plan, Part B;

162 (12) "Family" means any combination of the following: (A) An
163 individual; (B) the individual's spouse; (C) any child of the individual
164 or such spouse; or (D) the legal guardian of any such child if the
165 guardian resides with the child;

166 (13) "HUSKY Plan, Part A" means assistance provided to children,
167 caretaker relatives and pregnant women pursuant to section 17b-261,
168 as amended by this act;

169 (14) "HUSKY Plan, Part B" means the health insurance plan for
170 children established pursuant to the provisions of sections 17b-289 to
171 17b-303, inclusive, as amended by this act, and section 16 of public act
172 97-1 of the October 29 special session*;

173 (15) "HUSKY Plus programs" means two supplemental health
174 insurance programs established pursuant to section 17b-294 for
175 medically eligible enrollees of the HUSKY Plan, Part B whose medical
176 needs cannot be accommodated within the basic benefit package

177 offered to enrollees. One program shall supplement coverage for those
178 medically eligible enrollees with intensive physical health needs and
179 the other program shall supplement coverage for those medically
180 eligible enrollees with intensive behavioral health needs;

181 (16) "Income" means income as calculated in the same manner as
182 under the Medicaid program pursuant to section 17b-261, as amended
183 by this act;

184 (17) "Managed care plan" means a plan offered by an entity that
185 contracts with the department to provide benefits to enrollees on a
186 prepaid basis;

187 (18) "Parent" means a natural parent, stepparent, adoptive parent,
188 guardian or custodian of a child;

189 (19) "Premium" means any required payment made by an
190 individual to offset or pay in full the capitation rate under the HUSKY
191 Plan, Part B;

192 (20) "Preventive care and services" means: (A) Child preventive
193 care, including periodic and interperiodic well-child visits, routine
194 immunizations, health screenings and routine laboratory tests; (B)
195 prenatal care, including care of all complications of pregnancy; (C) care
196 of newborn infants, including attendance at high-risk deliveries and
197 normal newborn care; (D) WIC evaluations; (E) child abuse assessment
198 required under sections 17a-106a and 46b-129a; (F) preventive dental
199 care for children; and (G) periodicity schedules and reporting based on
200 the standards specified by the American Academy of Pediatrics;

201 (21) "Primary and preventive health care services" means the
202 services of licensed physicians, optometrists, nurses, nurse
203 practitioners, midwives and other related health care professionals
204 which are provided on an outpatient basis, including routine well-
205 child visits, diagnosis and treatment of illness and injury, laboratory
206 tests, diagnostic x-rays, prescription drugs, radiation therapy,
207 chemotherapy, hemodialysis, emergency room services, and outpatient

208 alcohol and substance abuse services, as defined by the commissioner;

209 (22) "Qualified entity" means any entity: (A) Eligible for payments
210 under a state plan approved under Medicaid and which provides
211 medical services under the HUSKY Plan, Part A, or (B) that is a
212 qualified entity, as defined in 42 USC 1396r-1a, as amended by Section
213 708 of Public Law 106-554 and that is determined by the commissioner
214 to be capable of making the determination of eligibility. The
215 commissioner shall provide qualified entities with such forms as are
216 necessary for an application to be made on behalf of a child under the
217 HUSKY Plan, Part A and information on how to assist parents,
218 guardians and other persons in completing and filing such forms;

219 (23) "WIC" means the federal Special Supplemental Food Program
220 for Women, Infants and Children administered by the Department of
221 Public Health pursuant to section 19a-59c.

222 Sec. 4. Section 17b-292 of the general statutes is repealed and the
223 following is substituted in lieu thereof (*Effective July 1, 2005*):

224 (a) A child who resides in a household with a family income which
225 exceeds one hundred eighty-five per cent of the federal poverty level
226 and does not exceed three hundred per cent of the federal poverty
227 level may be eligible for subsidized benefits under the HUSKY Plan,
228 Part B. The services and cost-sharing requirements under the HUSKY
229 Plan, Part B shall be substantially similar to the services and cost-
230 sharing requirements of the largest commercially available health plan
231 offered by a managed care organization, as defined in section 38a-478,
232 offered to residents in this state as measured by the number of covered
233 lives reported to the Insurance Department in the most recent audited
234 annual report.

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

238 (c) Whenever a court or family support magistrate orders a

239 noncustodial parent to provide health insurance for a child, such
240 parent may provide for coverage under the HUSKY Plan, Part B.

241 (d) A child who has been determined to be eligible for benefits
242 under either the HUSKY Plan, Part A or Part B shall remain eligible for
243 such plan for a period of twelve months from such child's
244 determination of eligibility unless the child attains the age of nineteen
245 or is no longer a resident of the state, regardless of any changes in
246 family composition or family income. During the twelve-month period
247 following the date that a child is determined eligible for HUSKY Plan,
248 Part A or Part B, the department shall not require the family of such
249 child to report changes in family income or family composition.

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

254 [(e)] (f) A newborn child who otherwise meets the eligibility criteria
255 for the HUSKY Plan, Part B shall be eligible for benefits retroactive to
256 his date of birth, provided an application is filed on behalf of the child
257 within thirty days of such date.

258 (g) The commissioner shall implement presumptive eligibility for
259 children applying for Medicaid. Such presumptive eligibility
260 determinations shall be in accordance with applicable federal law and
261 regulations. The commissioner shall adopt regulations, in accordance
262 with chapter 54, to establish standards and procedures for the
263 designation of organizations as qualified entities to grant presumptive
264 eligibility. In establishing such regulations, the commissioner shall
265 ensure the representation of state-wide and local organizations that
266 provide services to children of all ages in each region of the state.

267 [(f)] (h) The commissioner shall enter into a contract with an entity
268 to be a single point of entry servicer for applicants and enrollees under
269 the HUSKY Plan, Part A and Part B. The servicer shall jointly market
270 both Part A and Part B together as the HUSKY Plan. Such servicer shall

271 develop and implement public information and outreach activities
272 with community programs. Such servicer shall electronically transmit
273 data with respect to enrollment and disenrollment in the HUSKY Plan,
274 Part B to the commissioner.

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

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

284 [(h)] (k) Not more than twelve months after the determination of
285 eligibility for benefits under the HUSKY Plan, Part A and Part B and
286 annually thereafter, the commissioner or the servicer, as the case may
287 be, shall determine if the child continues to be eligible for the plan. The
288 commissioner or the servicer shall mail an application form to each
289 participant in the plan for the purposes of obtaining information to
290 make a determination on eligibility. To the extent permitted by federal
291 law, in determining eligibility for benefits under the HUSKY Plan, Part
292 A and Part B with respect to family income, the commissioner or the
293 servicer shall rely upon information provided in such form by the
294 participant unless the commissioner or the servicer has reason to
295 believe that such information is inaccurate or incomplete. The
296 determination of eligibility shall be coordinated with health plan open
297 enrollment periods.

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

301 [(j)] (m) The commissioner shall adopt regulations, in accordance
302 with chapter 54, to establish residency requirements and income

303 eligibility for participation in the HUSKY Plan, Part B and procedures
304 for a simplified mail-in application process. Notwithstanding the
305 provisions of section 17b-257b, such regulations shall provide that any
306 child adopted from another country by an individual who is a citizen
307 of the United States and a resident of this state shall be eligible for
308 benefits under the HUSKY Plan, Part B upon arrival in this state.

309 Sec. 5. Section 17b-295 of the general statutes is repealed and the
310 following is substituted in lieu thereof (*Effective from passage*):

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

316 [(1) On and after October 1, 2003, the commissioner may increase
317 the maximum annual aggregate cost-sharing requirements provided
318 that such cost-sharing requirements shall not exceed five per cent of
319 the family's gross annual income. The commissioner may impose a
320 premium requirement on families, whose income exceeds one hundred
321 eighty-five per cent of the federal poverty level as a component of the
322 family's cost-sharing responsibility provided the family's annual
323 combined premiums and copayments do not exceed the maximum
324 annual aggregate cost-sharing requirement; and]

325 (1) On and after the July 1, 2005, the commissioner shall submit a
326 schedule for the maximum annual aggregate cost-sharing for families
327 with an income: (A) Which exceeds one hundred eighty-five per cent
328 of the federal poverty level but does not exceed two hundred thirty-
329 five per cent of the federal poverty level, and (B) which exceeds two
330 hundred thirty-five per cent of the federal poverty level but does not
331 exceed three hundred per cent of the federal poverty level to the joint
332 standing committees of the General Assembly having cognizance of
333 matters relating to human services, public health, insurance and
334 appropriations and the budgets of state agencies. Not later than fifteen

335 days after the receipt of such schedule, said joint standing committees
336 of the General Assembly shall advise the commissioner of their
337 approval, denial or modifications, if any, of the schedule. If the joint
338 standing committees do not concur, the committee chairpersons shall
339 appoint a committee of conference which shall be comprised of three
340 members from each joint standing committee. At least one member
341 appointed from each committee shall be a member of the minority
342 party. The report of the committee of conference shall be made to each
343 committee, which shall vote to accept or reject the report. The report of
344 the committee of conference may not be amended. If a joint standing
345 committee rejects the report of the committee of conference, the
346 schedule submitted by the commissioner shall be deemed approved. If
347 the joint standing committees accept the report, the joint standing
348 committee having cognizance of matters relating to appropriations and
349 the budgets of state agencies shall advise the commissioner of their
350 approval or modifications, if any, of the schedule, provided if the
351 committees do not so advise the commissioner during the fifteen-day
352 period, the schedule submitted by the commissioner shall be deemed
353 approved. All revisions to the schedule for the maximum annual
354 aggregate cost sharing requirements under the HUSKY Plan, Part B
355 shall be submitted by the commissioner in accordance with the
356 provisions of this subdivision.

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

360 (b) (1) Except as provided in subdivision (2) of this subsection, the
361 commissioner may impose limitations on the amount, duration and
362 scope of benefits under the HUSKY Plan, Part B.

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

367 Sec. 6. Subsection (c) of section 17b-297 of the general statutes is
368 repealed and the following is substituted in lieu thereof (*Effective July*
369 *1, 2005*):

370 (c) The commissioner shall, within available appropriations,
371 contract with qualified entities authorized to grant presumptive
372 eligibility, severe need schools and community-based organizations for
373 purposes of public education, outreach and recruitment of eligible
374 children, including the distribution of applications and information
375 regarding enrollment in the HUSKY Plan, Part A and Part B. In
376 awarding such contracts, the commissioner shall consider the
377 marketing, outreach and recruitment efforts of organizations. For the
378 purposes of this subsection, (1) "community-based organizations" shall
379 include, but not be limited to, day care centers, schools, school-based
380 health clinics, community-based diagnostic and treatment centers and
381 hospitals, and (2) "severe need school" means a school in which forty
382 per cent or more of the lunches served are served to students who are
383 eligible for free or reduced price lunches.

384 Sec. 7. (NEW) (*Effective from passage*) (a) The HUSKY Plan, Part B
385 shall provide minimum benefit coverage for:

386 (1) Outpatient visits with physicians, nurse midwives, nurse
387 practitioners, podiatrists, chiropractors and natureopaths;

388 (2) Prescription drugs;

389 (3) Eye care and optical hardware;

390 (4) Hearing examinations;

391 (5) Orthodontia;

392 (6) Mental health inpatient stays for a maximum of sixty days with
393 allowable substitution of alternative levels of care and outpatient
394 maximum of thirty visits with supplemental coverage available under
395 a HUSKY Plus program for medically eligible enrollees, provided
396 coverage under the HUSKY Plan, Part B and HUSKY Plus programs

397 shall be consistent with the provisions of the Mental Health Parity Act,
398 Public Law 104-204, and sections 38a-488a, 38a-514 and 38a-533 of the
399 general statutes; and

400 (7) Substance abuse treatment which shall include detoxification
401 and inpatient treatment for drug dependency for a period of time not
402 to exceed sixty days in a calendar year, detoxification and inpatient
403 treatment for alcohol dependency for a period of time not to exceed
404 forty-five days in a calendar year and outpatient visits for drug and
405 alcohol dependency for a period of time not to exceed sixty days in a
406 calendar year.

407 (b) The HUSKY Plan, Part B shall provide that there shall be:

408 (1) No copayments for the following medical services: Inpatient
409 physician and hospital, outpatient surgical, ambulance for emergency
410 medical conditions, skilled nursing, home health, hospice, short-term
411 rehabilitation and physical therapy, occupational and speech therapies,
412 laboratory and x-ray, preadmission testing, prosthetics, durable
413 medical equipment other than powered wheelchairs, dental
414 examinations every six months, x-rays, fillings, fluoride treatments and
415 oral surgery. For the purposes of this subdivision, in accordance with
416 the National Committee for Quality Assurance, an emergency medical
417 condition is a condition such that a prudent layperson, acting
418 reasonably, would believe that emergency medical treatment is
419 needed; and

420 (2) No deductibles charged, no preexisting condition exclusions
421 applied, and no coinsurance or annual or lifetime benefit maximums.

422 (c) The Commissioner of Social Services may establish a schedule of
423 reasonable copayments for coverage provided under subsection (a) of
424 this section.

425 Sec. 8. Section 17b-261c of the general statutes is repealed. (*Effective*
426 *July 1, 2005*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-261
Sec. 2	<i>July 1, 2005</i>	17b-289(b)
Sec. 3	<i>July 1, 2005</i>	17b-290
Sec. 4	<i>July 1, 2005</i>	17b-292
Sec. 5	<i>from passage</i>	17b-295
Sec. 6	<i>July 1, 2005</i>	17b-297(c)
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>July 1, 2005</i>	Repealer section

HS

Joint Favorable Subst. C/R

APP