



General Assembly

January Session, 2007

Committee Bill No. 1

LCO No. 6226

06226SB00001PH_

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT CONCERNING THE HEALTHFIRST CONNECTICUT INITIATIVE.

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

1 Section 1. Section 17b-28e of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 (a) Not later than September 30, 2002, the Commissioner of Social
4 Services shall submit an amendment to the Medicaid state plan to
5 implement the provisions of public act 02-1 of the May 9 special
6 session* concerning optional services under the Medicaid program.
7 Said state plan amendment shall supersede any regulations of
8 Connecticut state agencies concerning such optional services.

9 (b) The Commissioner of Social Services shall amend the Medicaid
10 state plan to include foreign language interpreter services provided to
11 any beneficiary with limited English proficiency as a covered service
12 under the Medicaid program.

13 Sec. 2. Section 17b-261 of the general statutes is repealed and the
14 following is substituted in lieu thereof (*Effective July 1, 2007*):

15 (a) Medical assistance shall be provided for any otherwise eligible
16 person whose income, including any available support from legally
17 liable relatives and the income of the person's spouse or dependent
18 child, is not more than one hundred forty-three per cent, pending
19 approval of a federal waiver applied for pursuant to subsection (d) of
20 this section, of the benefit amount paid to a person with no income
21 under the temporary family assistance program in the appropriate
22 region of residence and if such person is an institutionalized
23 individual as defined in Section 1917(c) of the Social Security Act, 42
24 USC 1396p(c), and has not made an assignment or transfer or other
25 disposition of property for less than fair market value for the purpose
26 of establishing eligibility for benefits or assistance under this section.
27 Any such disposition shall be treated in accordance with Section
28 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of
29 property made on behalf of an applicant or recipient or the spouse of
30 an applicant or recipient by a guardian, conservator, person
31 authorized to make such disposition pursuant to a power of attorney
32 or other person so authorized by law shall be attributed to such
33 applicant, recipient or spouse. A disposition of property ordered by a
34 court shall be evaluated in accordance with the standards applied to
35 any other such disposition for the purpose of determining eligibility.
36 The commissioner shall establish the standards for eligibility for
37 medical assistance at one hundred forty-three per cent of the benefit
38 amount paid to a family unit of equal size with no income under the
39 temporary family assistance program in the appropriate region of
40 residence. [~~pending federal approval, except that the~~] Except as
41 provided in section 17b-277, as amended by this act, the medical
42 assistance program shall provide coverage to persons under the age of
43 nineteen [up to one hundred eighty-five per cent of the federal poverty
44 level without an asset limit. Said medical assistance program shall also
45 provide coverage to persons under the age of nineteen] and their
46 parents and needy caretaker relatives, who qualify for coverage under
47 Section 1931 of the Social Security Act, with family income up to one
48 hundred [fifty] eighty-five per cent of the federal poverty level without

49 an asset limit, [upon the request of such a person or upon a
50 redetermination of eligibility.] Such levels shall be based on the
51 regional differences in such benefit amount, if applicable, unless such
52 levels based on regional differences are not in conformance with
53 federal law. Any income in excess of the applicable amounts shall be
54 applied as may be required by said federal law, and assistance shall be
55 granted for the balance of the cost of authorized medical assistance. All
56 contracts entered into on and after July 1, 1997, pursuant to this section
57 shall include provisions for collaboration of managed care
58 organizations with the Nurturing Families Network established
59 pursuant to section 17a-56. The Commissioner of Social Services shall
60 provide applicants for assistance under this section, at the time of
61 application, with a written statement advising them of (1) the effect of
62 an assignment or transfer or other disposition of property on eligibility
63 for benefits or assistance, (2) the effect that having income that exceeds
64 the limits prescribed in this subsection will have with respect to
65 program eligibility, (3) the availability of HUSKY Plan, Part B health
66 insurance benefits for persons who are not eligible for assistance
67 pursuant to this subsection or who are subsequently determined
68 ineligible for assistance pursuant to this subsection, and [(2)] (4) the
69 availability of, and eligibility for, services provided by the Nurturing
70 Families Network established pursuant to section 17a-56.

71 (b) For the purposes of the Medicaid program, the Commissioner of
72 Social Services shall consider parental income and resources as
73 available to a child under eighteen years of age who is living with his
74 or her parents and is blind or disabled for purposes of the Medicaid
75 program, or to any other child under twenty-one years of age who is
76 living with his or her parents.

77 (c) For the purposes of determining eligibility for the Medicaid
78 program, an available asset is one that is actually available to the
79 applicant or one that the applicant has the legal right, authority or
80 power to obtain or to have applied for the applicant's general or
81 medical support. If the terms of a trust provide for the support of an

82 applicant, the refusal of a trustee to make a distribution from the trust
83 does not render the trust an unavailable asset. Notwithstanding the
84 provisions of this subsection, the availability of funds in a trust or
85 similar instrument funded in whole or in part by the applicant or the
86 applicant's spouse shall be determined pursuant to the Omnibus
87 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of
88 this subsection shall not apply to special needs trust, as defined in 42
89 USC 1396p(d)(4)(A).

90 (d) The transfer of an asset in exchange for other valuable
91 consideration shall be allowable to the extent the value of the other
92 valuable consideration is equal to or greater than the value of the asset
93 transferred.

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

98 (f) To the extent permitted by federal law, Medicaid eligibility shall
99 be extended for one year to a family that becomes ineligible for
100 medical assistance under Section 1931 of the Social Security Act due to
101 income from employment by one of its members who is a caretaker
102 relative or due to receipt of child support income. A family receiving
103 extended benefits on July 1, 2005, shall receive the balance of such
104 extended benefits, provided no such family shall receive more than
105 twelve additional months of such benefits.

106 (g) An institutionalized spouse applying for Medicaid and having a
107 spouse living in the community shall be required, to the maximum
108 extent permitted by law, to divert income to such community spouse
109 in order to raise the community spouse's income to the level of the
110 minimum monthly needs allowance, as described in Section 1924 of
111 the Social Security Act. Such diversion of income shall occur before the
112 community spouse is allowed to retain assets in excess of the

113 community spouse protected amount described in Section 1924 of the
114 Social Security Act. The Commissioner of Social Services, pursuant to
115 section 17b-10, may implement the provisions of this subsection while
116 in the process of adopting regulations, provided the commissioner
117 prints notice of intent to adopt the regulations in the Connecticut Law
118 Journal within twenty days of adopting such policy. Such policy shall
119 be valid until the time final regulations are effective.

120 [(h) The Commissioner of Social Services shall, to the extent
121 permitted by federal law, or, pursuant to an approved waiver of
122 federal law submitted by the commissioner, in accordance with the
123 provisions of section 17b-8, impose the following cost-sharing
124 requirements under the HUSKY Plan, on all parent and needy
125 caretaker relatives with incomes exceeding one hundred per cent of the
126 federal poverty level: (1) A twenty-five-dollar premium per month per
127 parent or needy caretaker relative; and (2) a copayment of one dollar
128 per visit for outpatient medical services delivered by an enrolled
129 Medicaid or HUSKY Plan provider. The commissioner may implement
130 policies and procedures necessary to administer the provisions of this
131 subsection while in the process of adopting such policies and
132 procedures as regulations, provided the commissioner publishes notice
133 of the intent to adopt regulations in the Connecticut Law Journal not
134 later than twenty days after implementation. Policies and procedures
135 implemented pursuant to this subsection shall be valid until the time
136 final regulations are adopted.]

137 [(i)] (h) Medical assistance shall be provided, in accordance with the
138 provisions of subsection (e) of section 17a-6, to any child under the
139 supervision of the Commissioner of Children and Families who is not
140 receiving Medicaid benefits, has not yet qualified for Medicaid benefits
141 or is otherwise ineligible for such benefits because of institutional
142 status. To the extent practicable, the Commissioner of Children and
143 Families shall apply for, or assist such child in qualifying for, the
144 Medicaid program.

145 [(j)] (i) The Commissioner of Social Services shall provide Early and
146 Periodic Screening, Diagnostic and Treatment program services, as
147 required and defined as of December 31, 2005, by 42 USC 1396a(a)(43),
148 42 USC 1396d(r) and 42 USC 1396d(a)(4)(B) and applicable federal
149 regulations, to all persons who are under the age of twenty-one and
150 otherwise eligible for medical assistance under this section.

151 (j) Notwithstanding the provisions of this section, the Commissioner
152 of Social Services, pursuant to 42 USC 1396a (r)(2), shall file an
153 amendment to the Medicaid state plan that allows the commissioner,
154 when making Medicaid income eligibility determinations, to establish
155 and maintain the level of eligibility for persons who are aged, blind or
156 disabled at the same income level used to determine eligibility for
157 parents and needy caretaker relatives under the HUSKY Plan, Part A,
158 by establishing a special income disregard that is applicable only to
159 aged, blind or disabled individuals and only under the Medicaid
160 program.

161 Sec. 3. Section 17b-297 of the general statutes is repealed and the
162 following is substituted in lieu thereof (*Effective July 1, 2007*):

163 (a) The [commissioner] Commissioner of Social Services, in
164 consultation with the Children's Health Council, the Medicaid
165 Managed Care Council and the 2-1-1 Infoline [of Connecticut]
166 program, shall develop mechanisms [for outreach for] to increase
167 outreach and maximize enrollment of eligible children and adults in
168 the HUSKY Plan, Part A [and] or Part B. [, including, but not limited
169 to, development of mail-in applications and appropriate outreach
170 materials through the Department of Revenue Services, the Labor
171 Department, the Department of Social Services, the Department of
172 Public Health, the Department of Children and Families and the Office
173 of Protection and Advocacy for Persons with Disabilities.] Such
174 mechanisms shall include, but not be limited to, the development and
175 implementation of a mail-in and on-line application systems. In
176 addition, the Commissioner of Social Services shall develop

177 appropriate outreach materials and in collaboration with the
178 Departments of Public Health, Children and Families, Mental Health
179 and Addiction Services, Mental Retardation, Education, Revenue
180 Services and Motor Vehicles, the Labor Department and the Office of
181 Protection and Advocacy for Persons with Disabilities and, as
182 appropriate, disseminate such outreach materials. All outreach
183 materials shall be approved by the commissioner pursuant to Subtitle J
184 of Public Law 105-33.

185 [(b) The commissioner shall include in such outreach efforts
186 information on the Medicaid program for the purpose of maximizing
187 enrollment of eligible children and the use of federal funds.]

188 [(c)] (b) The commissioner shall, within available appropriations,
189 contract with severe need schools and community-based organizations
190 for purposes of public education, outreach and recruitment of eligible
191 children and adults, including the distribution of applications and
192 information regarding enrollment in the HUSKY Plan, Part A and Part
193 B. In awarding such contracts, the commissioner shall consider the
194 marketing, outreach and recruitment efforts of organizations. For the
195 purposes of this subsection, (1) "community-based organizations" shall
196 include, but not be limited to, day care centers, schools, school-based
197 health clinics, community-based diagnostic and treatment centers and
198 hospitals, and (2) "severe need school" means a school in which forty
199 per cent or more of the lunches served are served to students who are
200 eligible for free or reduced price lunches.

201 [(d) All outreach materials shall be approved by the commissioner
202 pursuant to Subtitle J of Public Law 105-33.]

203 [(e)] (c) Not later than January 1, [1999] 2008, and annually
204 thereafter, the commissioner shall [submit a] report, in accordance
205 with section 11-4a, to the Governor and the joint standing committees
206 of the General Assembly having cognizance of matters relating to
207 human services, public health and appropriations and the budgets of

208 state agencies on the implementation of and the results of the
209 [community-based outreach program] outreach efforts specified in
210 subsections (a) [to (c), inclusive,] and (b) of this section.

211 Sec. 4. Section 17b-297b of the general statutes is repealed and the
212 following is substituted in lieu thereof (*Effective July 1, 2007*):

213 (a) Each local or regional board of education or similar body
214 governing a nonpublic school or schools shall, at the beginning of each
215 school year, provide to the parent or guardian of any pupil attending
216 such school outreach materials concerning eligibility for health
217 insurance coverage under the HUSKY Plan, Part A or Part B. The
218 Department of Social Services shall develop such outreach materials in
219 accordance with the provisions of sections 17b-297, as amended by this
220 act, and shall disseminate such outreach materials to schools.

221 [(a)] (b) To the extent permitted by federal law, the Commissioners
222 of Social Services and Education shall jointly establish procedures for
223 the sharing of information contained in applications for free and
224 reduced price meals under the National School Lunch Program for the
225 purpose of determining whether children participating in said
226 program are eligible for coverage under the HUSKY Plan, Part A and
227 Part B. The Commissioner of Social Services shall take all actions
228 necessary to ensure that children identified as eligible for the HUSKY
229 Plan are able to enroll in said plan.

230 [(b)] (c) The Commissioner of Education shall establish procedures
231 whereby an individual may apply for the HUSKY Plan, Part A or Part
232 B, at the same time such individual applies for the National School
233 Lunch Program.

234 Sec. 5. (NEW) (*Effective July 1, 2007*) (a) The Department of Social
235 Services, in consultation with the Department of Public Health, shall
236 establish a joint program between public and private entities for the
237 establishment and implementation of a multiyear, state-wide public
238 information campaign for the purpose of promoting enrollment in the

239 HUSKY Plan, Parts A and B of all persons who may be eligible for such
240 health insurance benefits.

241 (b) Notwithstanding the provisions of sections 4-212 to 4-219,
242 inclusive, of the general statutes the Department of Social Services, in
243 consultation with the Department of Public Health, shall solicit bids
244 from private organizations for the design and operation of the
245 information campaign. Such bids shall be solicited by sending notice to
246 prospective organizations and by posting notice on public bulletin
247 boards within the departments. Each bid shall be opened publicly at
248 the time stated in the notice soliciting such bid. Acceptance of a bid by
249 the departments shall be based on standard specifications adopted by
250 the departments. The Department of Social Services may accept gifts,
251 donations, bequests, grants or funds from public or private agencies
252 for any or all of the purposes of this section.

253 (c) On January 1, 2008, and annually thereafter, the Commissioner
254 of Social Services shall report, in accordance with section 11-4a of the
255 general statutes, to the joint standing committees of the General
256 Assembly having cognizance of matters relating to human services,
257 public health and appropriations and the budgets of state agencies on
258 the status of the program established pursuant to this section.

259 Sec. 6. Section 17b-289 of the general statutes is repealed and the
260 following is substituted in lieu thereof (*Effective July 1, 2007*):

261 (a) Sections 17b-289 to 17b-303, inclusive, and section 16 of public
262 act 97-1 of the October 29 special session* shall be known as the
263 "HUSKY and HUSKY Plus Act".

264 (b) Children, caretaker relatives and pregnant women receiving
265 assistance under section 17b-261 or 17b-277 shall be participants in the
266 HUSKY Plan, Part A and children receiving assistance under sections
267 17b-289 to 17b-303, inclusive, and section 16 of public act 97-1 of the
268 October 29 special session* shall be participants in the HUSKY Plan,
269 Part B. For purposes of marketing and outreach and enrollment of

270 persons eligible for assistance, both parts shall be known as the
271 HUSKY Plan.

272 Sec. 7. Section 17b-292 of the general statutes is repealed and the
273 following is substituted in lieu thereof (*Effective July 1, 2007*):

274 (a) A child who resides in a household with a family income which
275 exceeds one hundred eighty-five per cent of the federal poverty level
276 and does not exceed three hundred per cent of the federal poverty
277 level may be eligible for subsidized benefits under the HUSKY Plan,
278 Part B.

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

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

285 (d) A child who has been determined to be eligible for benefits
286 under either the HUSKY Plan, Part A or Part B shall remain eligible for
287 such plan for a period of twelve months from such child's
288 determination of eligibility unless the child attains the age of nineteen
289 or is no longer a resident of the state. An adult who has been
290 determined to be eligible for benefits under the HUSKY Plan, Part A
291 shall remain eligible for such plan for a period of twelve months from
292 such adult's determination of eligibility unless the adult is no longer a
293 resident of the state. During the twelve-month period following the
294 date that an adult or child is determined eligible for the HUSKY Plan,
295 Part A or Part B, the adult or family of such child shall comply with
296 federal requirements concerning the reporting of information to the
297 department, including, but not limited to, change of address
298 information.

299 ~~[(d)]~~ (e) To the extent allowed under federal law, the commissioner

300 shall not pay for services or durable medical equipment under the
301 HUSKY Plan, Part B if the enrollee has other insurance coverage for
302 the services or such equipment.

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

307 [(f)] (g) The commissioner shall implement presumptive eligibility
308 for children applying for Medicaid. Such presumptive eligibility
309 determinations shall be in accordance with applicable federal law and
310 regulations. The commissioner shall adopt regulations, in accordance
311 with chapter 54, to establish standards and procedures for the
312 designation of organizations as qualified entities to grant presumptive
313 eligibility. Qualified entities shall ensure that, at the time a
314 presumptive eligibility determination is made, a completed application
315 for Medicaid is submitted to the department for a full eligibility
316 determination. In establishing such standards and procedures, the
317 commissioner shall ensure the representation of state-wide and local
318 organizations that provide services to children of all ages in each
319 region of the state.

320 [(g)] (h) The commissioner shall enter into a contract with an entity
321 to be a single point of entry servicer for applicants and enrollees under
322 the HUSKY Plan, Part A and Part B. [The servicer] The commissioner,
323 in consultation with the servicer, shall establish a centralized unit to be
324 responsible for processing all applications for assistance under to be
325 HUSKY Plan, Part A and Part B. The department, through its contract
326 with the servicer, shall ensure that a child who is determined to be
327 eligible for benefits under the HUSKY Plan, Part A, or the HUSKY
328 Plan, Part B has uninterrupted health insurance coverage for as long as
329 the parent or guardian elects to enroll or re-enroll such child in the
330 HUSKY Plan, Part A or Part B. The commissioner, in consultation with
331 the servicer, and in accordance with the provisions of section 17b-297,

332 as amended by this act, shall jointly market both Part A and Part B
333 together as the HUSKY Plan [Such servicer] and shall develop and
334 implement public information and outreach activities with community
335 programs. Such servicer shall electronically transmit data with respect
336 to enrollment and disenrollment in the HUSKY Plan, Part A and Part B
337 to the commissioner.

338 [(h)] (i) Upon the expiration of any contractual provisions entered
339 into pursuant to subsection [(g)] (h) of this section, the commissioner
340 shall develop a new contract for single point of entry services and
341 managed care enrollment brokerage services. The commissioner may
342 enter into one or more contractual arrangements for such services for a
343 contract period not to exceed seven years. Such contracts shall include
344 performance measures, including, but not limited to, specified time
345 limits for the processing of applications, parameters setting forth the
346 requirements for a completed and reviewable application and the
347 percentage of applications forwarded to the department in a complete
348 and timely fashion. Such contracts shall also include a process for
349 identifying and correcting noncompliance with established
350 performance measures, including sanctions applicable for instances of
351 continued noncompliance with performance measures.

352 [(i)] (j) The single point of entry servicer shall send [an application]
353 all applications and supporting documents to the commissioner for
354 determination of eligibility. [of a child who resides in a household with
355 a family income of one hundred eighty-five per cent or less of the
356 federal poverty level.] The servicer shall enroll eligible beneficiaries in
357 the applicant's choice of managed care plan. Upon enrollment in a
358 managed care plan, an eligible HUSKY Plan Part A or Part B
359 beneficiary shall remain enrolled in such managed care plan for twelve
360 months from the date of such enrollment unless (1) an eligible
361 beneficiary demonstrates good cause to the satisfaction of the
362 commissioner of the need to enroll in a different managed care plan, or
363 (2) the beneficiary no longer meets program eligibility requirements.

364 [(j)] (k) Not [more than twelve] later than ten months after the
365 determination of eligibility for benefits under the HUSKY Plan, Part A
366 and Part B and annually thereafter, the commissioner or the servicer,
367 as the case may be, shall determine if the child continues to be eligible
368 for the plan. The commissioner or the servicer shall mail or, upon
369 request of a participant, electronically transmit an application form to
370 each participant in the plan for the purposes of obtaining information
371 to make a determination on continued eligibility beyond the twelve
372 months of initial eligibility. To the extent permitted by federal law, in
373 determining eligibility for benefits under the HUSKY Plan, Part A or
374 Part B with respect to family income, the commissioner or the servicer
375 shall rely upon information provided in such form by the participant
376 unless the commissioner or the servicer has reason to believe that such
377 information is inaccurate or incomplete. The Department of Social
378 Services shall annually review a random sample of cases to confirm
379 that, based on the statistical sample, relying on such information is not
380 resulting in ineligible clients receiving benefits under HUSKY Plan
381 Part A or Part B. The determination of eligibility shall be coordinated
382 with health plan open enrollment periods.

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

386 [(l)] (m) The commissioner shall adopt regulations, in accordance
387 with chapter 54, to establish residency requirements and income
388 eligibility for participation in the HUSKY Plan, Part B and procedures
389 for a simplified mail-in application process. Notwithstanding the
390 provisions of section 17b-257b, such regulations shall provide that any
391 child adopted from another country by an individual who is a citizen
392 of the United States and a resident of this state shall be eligible for
393 benefits under the HUSKY Plan, Part B upon arrival in this state.

394 Sec. 8. Section 17b-192 of the general statutes is repealed and the
395 following is substituted in lieu thereof (*Effective July 1, 2007*):

396 (a) The Commissioner of Social Services shall implement a state
397 medical assistance component of the state-administered general
398 assistance program for persons with income that does not exceed one
399 hundred per cent of the federal poverty level and who are ineligible
400 for Medicaid. [Not later than October 1, 2003, each] Earned monthly
401 gross income of up to one hundred fifty dollars shall be disregarded.
402 Unearned income shall not be disregarded. No person who has family
403 assets exceeding one thousand dollars shall be eligible. No person shall
404 be eligible for assistance under this section if such person made,
405 during the three months prior to the month of application, an
406 assignment or transfer or other disposition of property for less than
407 fair market value. The number of months of ineligibility due to such
408 disposition shall be determined by dividing the fair market value of
409 such property, less any consideration received in exchange for its
410 disposition, by five hundred dollars. Such period of ineligibility shall
411 commence in the month in which the person is otherwise eligible for
412 benefits. Any assignment, transfer or other disposition of property, on
413 the part of the transferor, shall be presumed to have been made for the
414 purpose of establishing eligibility for benefits or services unless such
415 person provides convincing evidence to establish that the transaction
416 was exclusively for some other purpose.

417 (b) Each person eligible for state-administered general assistance
418 shall be entitled to receive medical care through a federally qualified
419 health center or other primary care provider as determined by the
420 commissioner. The Commissioner of Social Services shall determine
421 appropriate service areas and shall, in the commissioner's discretion,
422 contract with community health centers, other similar clinics, and
423 other primary care providers, if necessary, to assure access to primary
424 care services for recipients who live farther than a reasonable distance
425 from a federally qualified health center. The commissioner shall assign
426 and enroll eligible persons in federally qualified health centers and
427 with any other providers contracted for the program because of access
428 needs. [Not later than October 1, 2003, each] Each person eligible for

429 state-administered general assistance shall be entitled to receive
430 hospital services. Medical services under the program shall be limited
431 to the services provided by a federally qualified health center, hospital,
432 or other provider contracted for the program at the commissioner's
433 discretion because of access needs. The commissioner shall ensure that
434 ancillary services and specialty services are provided by a federally
435 qualified health center, hospital, or other providers contracted for the
436 program at the commissioner's discretion. Ancillary services include,
437 but are not limited to, radiology, laboratory, and other diagnostic
438 services not available from a recipient's assigned primary-care
439 provider, and durable medical equipment. Specialty services are
440 services provided by a physician with a specialty that are not included
441 in ancillary services. In no event shall ancillary or specialty services
442 provided under the program exceed such services provided under the
443 state-administered general assistance program on July 1, 2003.
444 [Eligibility criteria concerning income shall be the same as the
445 medically needy component of the Medicaid program, except that
446 earned monthly gross income of up to one hundred fifty dollars shall
447 be disregarded. Unearned income shall not be disregarded. No person
448 who has family assets exceeding one thousand dollars shall be eligible.
449 No person eligible for Medicaid shall be eligible to receive medical
450 care through the state-administered general assistance program. No
451 person shall be eligible for assistance under this section if such person
452 made, during the three months prior to the month of application, an
453 assignment or transfer or other disposition of property for less than
454 fair market value. The number of months of ineligibility due to such
455 disposition shall be determined by dividing the fair market value of
456 such property, less any consideration received in exchange for its
457 disposition, by five hundred dollars. Such period of ineligibility shall
458 commence in the month in which the person is otherwise eligible for
459 benefits. Any assignment, transfer or other disposition of property, on
460 the part of the transferor, shall be presumed to have been made for the
461 purpose of establishing eligibility for benefits or services unless such
462 person provides convincing evidence to establish that the transaction

463 was exclusively for some other purpose.]

464 [(b) Recipients covered by a general assistance program operated by
465 a town shall be assigned and enrolled in federally qualified health
466 centers and with any other providers in the same manner as recipients
467 of medical assistance under the state-administered general assistance
468 program pursuant to subsection (a) of this section.]

469 (c) [On and after October 1, 2003, pharmacy] Pharmacy services
470 shall be provided to recipients of state-administered general assistance
471 through the federally qualified health center to which they are
472 assigned or through a pharmacy with which the health center
473 contracts. [Prior to said date, pharmacy services shall be provided as
474 provided under the Medicaid program.] Recipients who are assigned
475 to a community health center or similar clinic or primary care provider
476 other than a federally qualified health center or to a federally qualified
477 health center that does not have a contract for pharmacy services shall
478 receive pharmacy services at pharmacies designated by the
479 commissioner. The Commissioner of Social Services or the managed
480 care organization or other entity performing administrative functions
481 for the program as permitted in subsection (d) of this section, shall
482 require prior authorization for coverage of drugs for the treatment of
483 erectile dysfunction. The commissioner or the managed care
484 organization or other entity performing administrative functions for
485 the program may limit or exclude coverage for drugs for the treatment
486 of erectile dysfunction for persons who have been convicted of a sexual
487 offense who are required to register with the Commissioner of Public
488 Safety pursuant to chapter 969.

489 (d) The Commissioner of Social Services shall contract with
490 federally qualified health centers or other primary care providers as
491 necessary to provide medical services to eligible state-administered
492 general assistance recipients pursuant to this section. The
493 commissioner shall, within available appropriations, make payments
494 to such centers based on their pro rata share of the cost of services

495 provided or the number of clients served, or both. The Commissioner
496 of Social Services shall, within available appropriations, make
497 payments to other providers based on a methodology determined by
498 the commissioner. The Commissioner of Social Services may reimburse
499 for extraordinary medical services, provided such services are
500 documented to the satisfaction of the commissioner. For purposes of
501 this section, the commissioner may contract with a managed care
502 organization or other entity to perform administrative functions,
503 including a grievance process for recipients to access review of a denial
504 of coverage for a specific medical service, and to operate the program
505 in whole or in part. Provisions of a contract for medical services
506 entered into by the commissioner pursuant to this section shall
507 supersede any inconsistent provision in the regulations of Connecticut
508 state agencies. A recipient who has exhausted the grievance process
509 established through such contract and wishes to seek further review of
510 the denial of coverage for a specific medical service may request a
511 hearing in accordance with the provisions of section 17b-60.

512 (e) Each federally qualified health center participating in the
513 program shall [, within thirty days of August 20, 2003,] enroll in the
514 federal Office of Pharmacy Affairs Section 340B drug discount
515 program established pursuant to 42 USC 256b to provide pharmacy
516 services to recipients at Federal Supply Schedule costs. Each such
517 health center may establish an on-site pharmacy or contract with a
518 commercial pharmacy to provide such pharmacy services.

519 (f) The Commissioner of Social Services shall, within available
520 appropriations, make payments to hospitals for inpatient services
521 based on their pro rata share of the cost of services provided or the
522 number of clients served, or both. The Commissioner of Social Services
523 shall, within available appropriations, make payments for any
524 ancillary or specialty services provided to state-administered general
525 assistance recipients under this section based on a methodology
526 determined by the commissioner.

527 (g) On or before [March 1, 2004,] January 1, 2008, the Commissioner
528 of Social Services shall seek a waiver of federal law [under the Health
529 Insurance Flexibility and Accountability demonstration initiative] for
530 the purpose of extending health insurance coverage under Medicaid to
531 persons qualifying for medical assistance under the state-administered
532 general assistance program. The provisions of section 17b-8 shall apply
533 to this section.

534 (h) The commissioner, pursuant to section 17b-10, may implement
535 policies and procedures to administer the provisions of this section
536 while in the process of adopting such policies and procedures as
537 regulation, provided the commissioner prints notice of the intent to
538 adopt the regulation in the Connecticut Law Journal not later than
539 twenty days after the date of implementation. Such policy shall be
540 valid until the time final regulations are adopted.

541 Sec. 9. Subsection (a) of section 17b-277 of the general statutes is
542 repealed and the following is substituted in lieu thereof (*Effective July*
543 *1, 2007*):

544 (a) The Commissioner of Social Services shall provide, in accordance
545 with federal law and regulations, medical assistance under the
546 Medicaid program to needy pregnant women [and children up to one
547 year of age] whose families have an income [up to one hundred eighty-
548 five] not exceeding three hundred per cent of the federal poverty level.

549 Sec. 10. (NEW) (*Effective July 1, 2007*) On or before January 1, 2008,
550 the Commissioner of Social Services, shall seek a waiver under federal
551 law under the Health Insurance Flexibility and Accountability
552 demonstration proposal to provide health insurance coverage to
553 pregnant women, who do not otherwise have creditable coverage, as
554 defined in 42 USC 300gg(c), and with incomes above one hundred
555 eighty-five per cent of the federal poverty level but not in excess of
556 three hundred per cent of the federal poverty level. The waiver
557 submitted by the commissioner shall specify that funding for such

558 health insurance coverage shall be provided through a reallocation of
559 unspent state children's health insurance plan funds.

560 Sec. 11. (NEW) (*Effective July 1, 2007*) The Commissioner of Social
561 Services, pursuant to 42 USC 1396a(r)(2), shall file an amendment to
562 the Medicaid state plan to allow the commissioner, when making
563 Medicaid eligibility determinations, to raise the medically needy
564 income limit for persons who are aged, blind or disabled to an amount
565 not to exceed one hundred per cent of the federal poverty level.

566 Sec. 12. Section 17b-282b of the general statutes is repealed and the
567 following is substituted in lieu thereof (*Effective July 1, 2007*):

568 [(a) Not later than July 1, 2004, and prior to the implementation of a
569 state-wide dental plan that provides for the administration of the
570 dental services portion of the department's medical assistance, the
571 Commissioner of Social Services shall amend the federal waiver
572 approved pursuant to Section 1915(b) of the Social Security Act. Such
573 waiver amendment shall be submitted to the joint standing committees
574 of the General Assembly having cognizance of matters relating to
575 human services and appropriations and the budgets of state agencies
576 in accordance with the provisions of section 17b-8.

577 (b) Prior to the implementation of a state-wide dental plan that
578 provides for the administration of the dental services portion of the
579 department's medical assistance program, the Commissioner of Social
580 Services shall review eliminating prior authorization requirements for
581 basic and routine dental services. In the event the commissioner adopts
582 regulations to eliminate such prior authorization requirements, the
583 commissioner may implement policies and procedures for the
584 purposes of this subsection while in the process of adopting such
585 regulations, provided the commissioner prints notice of intention to
586 adopt the regulations in the Connecticut Law Journal not later than
587 twenty days after implementing the policies and procedures.]

588 (a) The Commissioner of Social Services shall establish a fee

589 schedule for dental services provided to children under nineteen years
590 of age who are eligible for medical assistance under section 17b-261, as
591 amended by this act, or section 17b-292, as amended by this act. The
592 schedule shall provide for a fee for each dental service provided on or
593 after July 1, 2007, except for an orthodontic service, that is equal to the
594 seventieth percentile of normal and customary private provider fees,
595 as defined by the National Dental Advisory Service Comprehensive
596 Fee Report. The schedule shall provide for a fee for each orthodontic
597 service, which may be less than the seventieth percentile of normal and
598 customary private provider fees, as defined by the National Dental
599 Advisory Service Comprehensive Fee Report.

600 (b) The Commissioner of Social Services shall evaluate whether the
601 fee schedule established pursuant to subsection (a) of this section, as
602 amended, results in improved access to oral health care for medical
603 assistance recipients under nineteen years of age, as measured by the
604 increase in the number of providers registered to provide dental
605 services under the medical assistance programs described in section
606 17b-261, as amended by this act, and section 17b-292, as amended by
607 this act. Not later than December 31, 2008, the commissioner shall
608 submit the evaluation and any recommendations that the
609 commissioner may have with respect to improving access to oral
610 health care for medical assistance recipients to the joint standing
611 committees of the General Assembly having cognizance of matters
612 relating to human services, public health and appropriation and the
613 budgets of state agencies, in accordance with the provisions of section
614 11-4a.

615 Sec. 13. (NEW) *(Effective July 1, 2007)* The Commissioner of Social
616 Services shall reimburse providers of medical services under the
617 medical assistance program, operated in accordance with section 17b-
618 261 of the general statutes, as amended by this act, at a rate that is
619 equal to the rate paid for the provision of such services under the
620 Medicare program.

621 Sec. 14. Section 19a-88 of the general statutes is amended by adding
622 subsection (g) as follows (*Effective from passage*):

623 (NEW) (g) On or before October 1, 2007, the Department of Public
624 Health shall establish and implement a secure on-line license renewal
625 system for persons holding a license to practice medicine or surgery
626 under chapter 370, dentistry under chapter 379 or nursing under
627 chapter 378. The department shall allow any such person who renews
628 his or her license using the on-line license renewal system to pay his or
629 her professional service fees on-line by means of a credit card or
630 electronic transfer of funds from a bank or credit union account and
631 may charge such person a service fee not to exceed five dollars for any
632 such on-line payment made by credit card or electronic funds transfer.

633 Sec. 15. Section 38a-497 of the general statutes is repealed and the
634 following is substituted in lieu thereof (*Effective July 1, 2007*):

635 Every individual health insurance policy providing coverage of the
636 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of
637 section 38a-469 delivered, issued for delivery, amended or renewed in
638 this state on or after October 1, 1982, shall provide that coverage of a
639 child shall terminate no earlier than the policy anniversary date on or
640 after whichever of the following occurs first, the date on which the
641 child marries, ceases to be a [dependent of the policyholder,] resident
642 of the state or attains the age of [nineteen if the child is not a full-time
643 student at an accredited institution, or attains the age of twenty-three if
644 the child is a full-time student at an accredited institution] thirty.

645 Sec. 16. Section 38a-554 of the general statutes is repealed and the
646 following is substituted in lieu thereof (*Effective July 1, 2007*):

647 A group comprehensive health care plan shall contain the minimum
648 standard benefits prescribed in section 38a-553 and shall also conform
649 in substance to the requirements of this section.

650 (a) The plan shall be one under which the individuals eligible to be

651 covered include: (1) Each eligible employee; (2) the spouse of each
652 eligible employee, who shall be considered a dependent for the
653 purposes of this section; and (3) [dependent] unmarried children
654 residing in the state, who are under [the age of nineteen or are full-
655 time students under the age of twenty-three at an accredited institution
656 of higher learning] thirty years of age.

657 (b) The plan shall provide the option to continue coverage under
658 each of the following circumstances until the individual is eligible for
659 other group insurance, except as provided in subdivisions (3) and (4)
660 of this subsection: (1) Notwithstanding any provision of this section,
661 upon layoff, reduction of hours, leave of absence, or termination of
662 employment, other than as a result of death of the employee or as a
663 result of such employee's "gross misconduct" as that term is used in 29
664 USC 1163(2), continuation of coverage for such employee and such
665 employee's covered dependents for the periods set forth for such event
666 under federal extension requirements established by the federal
667 Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272),
668 as amended from time to time, (COBRA), except that if such reduction
669 of hours, leave of absence or termination of employment results from
670 an employee's eligibility to receive Social Security income,
671 continuation of coverage for such employee and such employee's
672 covered dependents until midnight of the day preceding such person's
673 eligibility for benefits under Title XVIII of the Social Security Act; (2)
674 upon the death of the employee, continuation of coverage for the
675 covered dependents of such employee for the periods set forth for such
676 event under federal extension requirements established by the
677 Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272),
678 as amended from time to time, (COBRA); (3) regardless of the
679 employee's or dependent's eligibility for other group insurance, during
680 an employee's absence due to illness or injury, continuation of
681 coverage for such employee and such employee's covered dependents
682 during continuance of such illness or injury or for up to twelve months
683 from the beginning of such absence; (4) regardless of an individual's

684 eligibility for other group insurance, upon termination of the group
685 plan, coverage for covered individuals who were totally disabled on
686 the date of termination shall be continued without premium payment
687 during the continuance of such disability for a period of twelve
688 calendar months following the calendar month in which the plan was
689 terminated, provided claim is submitted for coverage within one year
690 of the termination of the plan; (5) the coverage of any covered
691 individual shall terminate: (A) As to a child, the plan shall provide the
692 option for said child to continue coverage for the longer of the
693 following periods: (i) At the end of the month following the month in
694 which the child marries, ceases to [be dependent on the employee]
695 reside in the state or attains the age of [nineteen, whichever occurs
696 first, except that if the child is a full-time student at an accredited
697 institution, the coverage may be continued while the child remains
698 unmarried and a full-time student, but not beyond the month
699 following the month in which the child attains the age of twenty-three]
700 thirty. If on the date specified for termination of coverage on a
701 [dependent] child, the child is unmarried and incapable of self-
702 sustaining employment by reason of mental or physical handicap and
703 chiefly dependent upon the employee for support and maintenance,
704 the coverage on such child shall continue while the plan remains in
705 force and the child remains in such condition, provided proof of such
706 handicap is received by the carrier within thirty-one days of the date
707 on which the child's coverage would have terminated in the absence of
708 such incapacity. The carrier may require subsequent proof of the
709 child's continued incapacity and dependency but not more often than
710 once a year thereafter, or (ii) for the periods set forth for such child
711 under federal extension requirements established by the Consolidated
712 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended
713 from time to time, (COBRA); (B) as to the employee's spouse, at the
714 end of the month following the month in which a divorce, court-
715 ordered annulment or legal separation is obtained, whichever is
716 earlier, except that the plan shall provide the option for said spouse to
717 continue coverage for the periods set forth for such events under

718 federal extension requirements established by the Consolidated
719 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended
720 from time to time, (COBRA); and (C) as to the employee or dependent
721 who is sixty-five years of age or older, as of midnight of the day
722 preceding such person's eligibility for benefits under Title XVIII of the
723 federal Social Security Act; (6) as to any other event listed as a
724 "qualifying event" in 29 USC 1163, as amended from time to time,
725 continuation of coverage for such periods set forth for such event in 29
726 USC 1162, as amended from time to time, provided such plan may
727 require the individual whose coverage is to be continued to pay up to
728 the percentage of the applicable premium as specified for such event in
729 29 USC 1162, as amended from time to time. Any continuation of
730 coverage required by this section except subdivision (4) or (6) of this
731 subsection may be subject to the requirement, on the part of the
732 individual whose coverage is to be continued, that such individual
733 contribute that portion of the premium the individual would have
734 been required to contribute had the employee remained an active
735 covered employee, except that the individual may be required to pay
736 up to one hundred two per cent of the entire premium at the group
737 rate if coverage is continued in accordance with subdivision (1), (2) or
738 (5) of this subsection. The employer shall not be legally obligated by
739 sections 38a-505, 38a-546 and 38a-551 to 38a-559, inclusive, to pay such
740 premium if not paid timely by the employee.

741 (c) The commissioner shall adopt regulations, in accordance with
742 chapter 54, concerning coordination of benefits between the plan and
743 other health insurance plans.

744 (d) The plan shall make available to Connecticut residents, in
745 addition to any other conversion privilege available, a conversion
746 privilege under which coverage shall be available immediately upon
747 termination of coverage under the group plan. The terms and benefits
748 offered under the conversion benefits shall be at least equal to the
749 terms and benefits of an individual comprehensive health care plan.

750 Sec. 17. (NEW) (*Effective July 1, 2007*) eHealth Connecticut shall be
751 designated the lead health information exchange organization for the
752 state of Connecticut for the period commencing July 1, 2007, and
753 ending July 1, 2012. The Commissioner of Public Health shall contract
754 with such organization to develop a state-wide health information
755 technology plan, which includes development of standards, protocols
756 and pilot programs for health information exchange.

757 Sec. 18. (*Effective from passage*) Not later than January 1, 2008, the
758 Department of Social Services shall inventory and report, in
759 accordance with the provisions of section 11-4a of the general statutes,
760 on all disease management initiatives implemented as of the effective
761 date of this section under the HUSKY Plan, Part A, the HUSKY Plan,
762 Part B, the state-administered general assistance program and the state
763 Medicaid plan to the joint standing committees of the General
764 Assembly having cognizance of matters relating to public health and
765 human services. Such report shall include a summary of each
766 initiative, the total amount of money spent on each initiative, from
767 inception, and the total number of persons served by each initiative.

768 Sec. 19. (*Effective from passage*) Not later than January 1, 2008, the
769 Department of Public Health shall inventory and report, in accordance
770 with section 11-4a of the general statutes, on all public and private
771 sector disease management programs within the state as of the
772 effective date of this section, except for disease management initiatives
773 described in section 18 of this act, to the joint standing committee of
774 the General Assembly having cognizance of matters relating to public
775 health. Such inventory shall include (1) a summary of each program,
776 (2) the number of persons being served in each program, and (3)
777 recommendations about best practices for disease management
778 programs and how to replicate such best practices state-wide.

779 Sec. 20. Section 17b-261c of the general statutes is repealed. (*Effective*
780 *July 1, 2007*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	17b-28e
Sec. 2	<i>July 1, 2007</i>	17b-261
Sec. 3	<i>July 1, 2007</i>	17b-297
Sec. 4	<i>July 1, 2007</i>	17b-297b
Sec. 5	<i>July 1, 2007</i>	New section
Sec. 6	<i>July 1, 2007</i>	17b-289
Sec. 7	<i>July 1, 2007</i>	17b-292
Sec. 8	<i>July 1, 2007</i>	17b-192
Sec. 9	<i>July 1, 2007</i>	17b-277(a)
Sec. 10	<i>July 1, 2007</i>	New section
Sec. 11	<i>July 1, 2007</i>	New section
Sec. 12	<i>July 1, 2007</i>	17b-282b
Sec. 13	<i>July 1, 2007</i>	New section
Sec. 14	<i>from passage</i>	19a-88
Sec. 15	<i>July 1, 2007</i>	38a-497
Sec. 16	<i>July 1, 2007</i>	38a-554
Sec. 17	<i>July 1, 2007</i>	New section
Sec. 18	<i>from passage</i>	New section
Sec. 19	<i>from passage</i>	New section
Sec. 20	<i>July 1, 2007</i>	Repealer section

Statement of Purpose:

To ensure that all Connecticut residents have access to affordable, quality health care.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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S.B. 1