



House of Representatives

General Assembly

File No. 370

February Session, 2010

Substitute House Bill No. 5399

House of Representatives, April 7, 2010

The Committee on Human Services reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING NOTICE BY THE DEPARTMENT OF SOCIAL SERVICES REGARDING REPAYMENT FOR SERVICES.

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

1 Section 1. Section 17b-77 of the 2010 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2010*):

4 (a) Application for aid under the state supplement program,
5 medical assistance program, temporary family assistance program,
6 state-administered general assistance program and supplemental
7 nutrition assistance program, shall be made to the Commissioner of
8 Social Services. The name and address of each such applicant shall be
9 recorded with the commissioner. Such application, in the case of
10 temporary family assistance, shall be made by the supervising relative,
11 his authorized representative, or, in the case of an individual who is
12 incapacitated, someone acting responsibly for him and shall contain
13 the name and the exact residence of such applicant, the name, place
14 and date of birth of each dependent child, the Social Security number

15 of the supervising relative and of each dependent child, and such other
16 information as is required by the commissioner. If such supervising
17 relative or any such child does not have a Social Security number, the
18 commissioner shall assist in obtaining a Social Security number for
19 each such person seeking public assistance and during the time
20 required to obtain such Social Security numbers the supervising
21 relative and children shall not be precluded from eligibility under this
22 section. By such application, the applicant shall assign to the
23 commissioner the right of support, present, past and future, due all
24 persons seeking assistance and shall assist the commissioner in
25 pursuing support obligations due from the noncustodial parent. On
26 and after October 1, 2008, such assignment under the temporary family
27 assistance program shall apply only to such support rights as accrue
28 during the period of assistance, not to exceed the total amount of
29 assistance provided to the family under said program. Notice of such
30 assignment shall be conspicuously placed on said application and shall
31 be explained to the applicant at the time of application. All information
32 required to be provided to the commissioner as a condition of such
33 eligibility under federal law shall be so provided by the applicant,
34 provided, no person shall be determined to be ineligible if the
35 applicant has good cause for the refusal to provide information
36 concerning the noncustodial parent or if the provision of such
37 information would be against the best interests of the dependent child
38 or children, or any of them. The Commissioner of Social Services shall
39 adopt by regulation, in accordance with chapter 54, standards as to
40 good cause and best interests of the child. Any person aggrieved by a
41 decision of the commissioner as to the determination of good cause or
42 the best interests of such child or children may request a fair hearing in
43 accordance with the provisions of sections 17b-60 and 17b-61. All
44 statements made by the applicant concerning income, resources and
45 any other matters pertaining to eligibility shall be certified to by the
46 applicant as true and correct under penalty of false statement, and for
47 any such certified statement which is untrue or incorrect such
48 applicant shall be subject to the penalties provided for false statement
49 under section 17b-97.

50 (b) The Commissioner of Social Services shall notify each applicant
 51 for aid under the state supplement program, medical assistance
 52 program, temporary family assistance program and state-administered
 53 general assistance program and each person who may be liable for
 54 repayment of such aid of the provisions of sections 17b-93 to 17b-97,
 55 inclusive, in general terms, at the time of application for such aid or, in
 56 the case of a person who may be liable for repayment of such aid, not
 57 later than thirty days after the applicant is determined to be eligible for
 58 such aid. The notice shall be (1) written in plain language, (2) in an
 59 easily readable and understandable format, and (3) whenever possible,
 60 in the first language of the applicant or person who may be liable for
 61 repayment of such aid.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2010	17b-77

HS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect
Department of Social Services	GF - Potential Cost

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Department of Social Services (DSS) to notify applicants for departmental programs about their liability for repayment. As DSS already does this for all applicants, there is no associated fiscal impact.

The bill further requires DSS to notify each person who may be liable for repayment, other than the actual applicant. It is uncertain what additional resources DSS may require to identify and notify other legally liable relatives, particularly if they are not identified by the applicant.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 5399

AN ACT CONCERNING NOTICE BY THE DEPARTMENT OF SOCIAL SERVICES REGARDING REPAYMENT FOR SERVICES.

SUMMARY:

This bill requires the Department of Social Services (DSS) commissioner to notify each applicant for its major public assistance programs, at the time of application, that he or she may be liable to repay any aid received under the state's public assistance recoveries law. It also requires DSS to notify anyone else who may be liable for repaying the person's aid of that law.

DSS' existing application for its major public assistance programs includes a page notifying applicants of their liability for repaying the state if they own property, experience a financial windfall, or die.

The bill also makes a technical change.

EFFECTIVE DATE: July 1, 2010

NOTICE OF LIABILITY FOR REPAYMENT

The bill requires the DSS commissioner to notify each applicant of the State Supplement, medical assistance (Medicaid), Temporary Family Assistance, and State-Administered General Assistance programs, and anyone who might be liable for the repayment. The notice to the applicant must be provided at the time the applicant applies for assistance. For the other liable party, DSS must provide the notice within 30 days after the applicant is determined eligible for assistance.

The notice must be (1) written in plain language; (2) easy to read and understand; and (3) when possible, in the applicant's or other

liable person's first language.

BACKGROUND

Repayment Law and DSS Notification

By law, the state has a claim that has priority over all other claims when someone age 18 or older has received public assistance and acquires property of any kind, including windfalls such as lottery winnings, lawsuit proceeds, and inheritances. The claim is a lien against the windfall amount from a lawsuit or inheritance that generally equals the lesser of the amount of assistance paid or 50% of the windfall proceeds. For other windfalls, such as the lottery and property acquisitions, the state claim is 100% of the proceeds or amount of assistance provided. Certain windfall payments are exempt, such as proceeds of discrimination suits.

The state also has a claim against the estates of parents of a child who has been a TFA, AFDC (predecessor to TFA), or SAGA recipient, and the estates of any adult who received this aid, Medicaid, or State Supplement benefits. The claim is for the entire amount of assistance, provided (1) the state has not been reimbursed for it and (2) a surviving spouse, parent, or dependent child of the deceased does not need the estate proceeds for support (CGS § 17b-93, et. seq.).

DSS's uniform application for public assistance programs includes a notice page that specifies the state's repayment law.

Legally Liable Relative Law

Another state law makes the parents of a child under the age of 18 who receives public assistance (but not a parent whose financial liability for a child is determined by DSS' Bureau of Child Support Enforcement) liable for the assistance. This liability can be waived if it will cause significant financial hardship (CGS § 4a-12).

The regulations provide that the liability can be as high as the full amount of assistance provided (*Conn Agency Regulations*, § 4a-12-1, et. seq.).

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/23/2010)