



General Assembly

February Session, 2012

**Raised Bill No. 282**

LCO No. 1471

\*01471\_\_\_\_\_AGE\*

Referred to Committee on Aging

Introduced by:  
(AGE)

**AN ACT CONCERNING THE RETURN OF A GIFT TO A PERSON IN  
NEED OF LONG-TERM CARE SERVICES.**

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

1 Section 1. Subsection (d) of section 17b-261a of the 2012 supplement  
2 to the general statutes is repealed and the following is substituted in  
3 lieu thereof (*Effective July 1, 2012*):

4 (d) (1) For purposes of this subsection, an "institutionalized  
5 individual" means an individual who is receiving (A) services from a  
6 long-term care facility, (B) services from a medical institution that are  
7 equivalent to those services provided in a long-term care facility, or (C)  
8 home and community-based services under a Medicaid waiver.

9 ~~[(d)]~~ (2) An institutionalized individual shall not be penalized for  
10 the transfer of an asset if the entire amount of the transferred asset is  
11 returned to the institutionalized individual. [The partial return of a  
12 transferred asset shall not result in a reduced penalty period.]

13 (3) A penalty period imposed against an institutionalized individual  
14 as a result of the transfer of an asset shall be reduced pursuant to this

15 subdivision if an amount less than the entire amount of the transferred  
16 asset is returned to the institutionalized individual. The penalty period  
17 shall be reduced by the portion of the penalty period attributable to  
18 such amount.

19 [(1) If there are multiple transfers of assets to the same or different  
20 transferees, a return of anything less than the total amount of the  
21 transferred assets from all of the separate transferees shall not  
22 constitute a return of the entire amount of the transferred assets.]

23 [(2)] (4) If the circumstances surrounding the transfer of an asset and  
24 return of the entire amount of the asset to the institutionalized  
25 individual [indicates] indicate to the Department of Social Services that  
26 such individual, such individual's spouse or such individual's  
27 authorized representative intended, from the time the asset was  
28 transferred, that the transferee would subsequently return the asset to  
29 such individual, such individual's spouse or such individual's  
30 authorized representative for the purpose of altering the start of the  
31 penalty period or shifting nursing facility costs, that may have been  
32 borne by such individual, to the Medicaid program, the entire amount  
33 of the returned asset shall be (A) regarded as a trust-like device, and  
34 (B) considered available to such individual from the date of transfer for  
35 the purpose of determining Medicaid eligibility. If such individual  
36 demonstrates to the department that the purpose of the transfer and its  
37 subsequent return was not to alter the penalty period or qualify such  
38 individual for Medicaid eligibility, the entire amount of the returned  
39 asset is considered available to the individual from the date of the  
40 return of the transferred asset.

41 [(3) The conveyance and subsequent return of an asset for the  
42 purpose of shifting costs to the Medicaid program shall be regarded as  
43 a trust-like device. Such asset shall be considered available for the  
44 purpose of determining Medicaid eligibility.

45 (4) For purposes of this section, an "institutionalized individual"  
46 means an individual who is receiving (A) services from a long-term

47 care facility, (B) services from a medical institution which are  
48 equivalent to those services provided in a long-term care facility, or (C)  
49 home and community-based services under a Medicaid waiver.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2012	17b-261a(d)

**Statement of Purpose:**

To allow the Department of Social Services to reduce the length of a penalty period when only part of a gift has been returned to an institutionalized individual.

*[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.]*