



# House of Representatives

**File No. 893**

General Assembly

January Session, 2013

**(Reprint of File No. 552)**

Substitute House Bill No. 6607  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
June 1, 2013

## **AN ACT CONCERNING NURSING HOMES.**

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 Section 17b-261 of the general statutes is repealed and the  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 October 1, 2013*):

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 (e) 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)] 1917 of the Social Security  
12 Act, 42 USC [1396p(c)] 1396p(h)(3), and has not made an assignment or  
13 transfer or other disposition of property for less than fair market value  
14 for the purpose of establishing eligibility for benefits or assistance  
15 under this section. Any such disposition shall be treated in accordance

16 with Section 1917(c) of the Social Security Act, 42 USC 1396p(c). Any  
17 disposition of property made on behalf of an applicant or recipient or  
18 the spouse of an applicant or recipient by a guardian, conservator,  
19 person authorized to make such disposition pursuant to a power of  
20 attorney or other person so authorized by law shall be attributed to  
21 such applicant, recipient or spouse. A disposition of property ordered  
22 by a court shall be evaluated in accordance with the standards applied  
23 to 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. In determining eligibility, the commissioner shall not  
29 consider as income Aid and Attendance pension benefits granted to a  
30 veteran, as defined in section 27-103, or the surviving spouse of such  
31 veteran. Except as provided in section 17b-277, the medical assistance  
32 program shall provide coverage to persons under the age of nineteen  
33 with family income up to one hundred eighty-five per cent of the  
34 federal poverty level without an asset limit and to persons under the  
35 age of nineteen and their parents and needy caretaker relatives, who  
36 qualify for coverage under Section 1931 of the Social Security Act, with  
37 family income up to one hundred eighty-five per cent of the federal  
38 poverty level without an asset limit. Such levels shall be based on the  
39 regional differences in such benefit amount, if applicable, unless such  
40 levels based on regional differences are not in conformance with  
41 federal law. Any income in excess of the applicable amounts shall be  
42 applied as may be required by said federal law, and assistance shall be  
43 granted for the balance of the cost of authorized medical assistance.  
44 The Commissioner of Social Services shall provide applicants for  
45 assistance under this section, at the time of application, with a written  
46 statement advising them of (1) the effect of an assignment or transfer  
47 or other disposition of property on eligibility for benefits or assistance,  
48 (2) the effect that having income that exceeds the limits prescribed in  
49 this subsection will have with respect to program eligibility, and (3)  
50 the availability of, and eligibility for, services provided by the

51 Nurturing Families Network established pursuant to section 17b-751b.  
52 Persons who are determined ineligible for assistance pursuant to this  
53 section shall be provided a written statement notifying such persons of  
54 their ineligibility and advising such persons of the availability of  
55 HUSKY Plan, Part B health insurance benefits.

56 (b) For the purposes of the Medicaid program, the Commissioner of  
57 Social Services shall consider parental income and resources as  
58 available to a child under eighteen years of age who is living with his  
59 or her parents and is blind or disabled for purposes of the Medicaid  
60 program, or to any other child under twenty-one years of age who is  
61 living with his or her parents.

62 (c) For the purposes of determining eligibility for the Medicaid  
63 program, an available asset is one that is actually available to the  
64 applicant or one that the applicant has the legal right, authority or  
65 power to obtain or to have applied for the applicant's general or  
66 medical support. If the terms of a trust provide for the support of an  
67 applicant, the refusal of a trustee to make a distribution from the trust  
68 does not render the trust an unavailable asset. Notwithstanding the  
69 provisions of this subsection, the availability of funds in a trust or  
70 similar instrument funded in whole or in part by the applicant or the  
71 applicant's spouse shall be determined pursuant to the Omnibus  
72 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of  
73 this subsection shall not apply to a special needs trust, as defined in 42  
74 USC 1396p(d)(4)(A). For purposes of determining whether a  
75 beneficiary under a special needs trust, who has not received a  
76 disability determination from the Social Security Administration, is  
77 disabled, as defined in 42 USC 1382c(a)(3), the Commissioner of Social  
78 Services, or the commissioner's designee, shall independently make  
79 such determination. The commissioner shall not require such  
80 beneficiary to apply for Social Security disability benefits or obtain a  
81 disability determination from the Social Security Administration for  
82 purposes of determining whether the beneficiary is disabled.

83 (d) The transfer of an asset in exchange for other valuable

84 consideration shall be allowable to the extent the value of the other  
85 valuable consideration is equal to or greater than the value of the asset  
86 transferred.

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

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

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

113 (h) To the extent permissible under federal law, an institutionalized  
114 individual, as defined in Section 1917 of the Social Security Act, 42  
115 USC 1396p(h)(3), shall not be determined ineligible for Medicaid solely

116 on the basis of the cash value of a life insurance policy worth less than  
117 ten thousand dollars provided (1) the individual is pursuing the  
118 surrender of the policy, and (2) upon surrendering such policy all  
119 proceeds of the policy are used to pay for the institutionalized  
120 individual's long-term care.

121 [(h)] (i) Medical assistance shall be provided, in accordance with the  
122 provisions of subsection (e) of section 17a-6, to any child under the  
123 supervision of the Commissioner of Children and Families who is not  
124 receiving Medicaid benefits, has not yet qualified for Medicaid benefits  
125 or is otherwise ineligible for such benefits. Medical assistance shall also  
126 be provided to any child in the voluntary services program operated  
127 by the Department of Developmental Services who is not receiving  
128 Medicaid benefits, has not yet qualified for Medicaid benefits or is  
129 otherwise ineligible for benefits. To the extent practicable, the  
130 Commissioner of Children and Families and the Commissioner of  
131 Developmental Services shall apply for, or assist such child in  
132 qualifying for, the Medicaid program.

133 [(i)] (j) The Commissioner of Social Services shall provide Early and  
134 Periodic Screening, Diagnostic and Treatment program services, as  
135 required and defined as of December 31, 2005, by 42 USC 1396a(a)(43),  
136 42 USC 1396d(r) and 42 USC 1396d(a)(4)(B) and applicable federal  
137 regulations, to all persons who are under the age of twenty-one and  
138 otherwise eligible for medical assistance under this section.

139 [(j)] (k) A veteran, as defined in section 27-103, and any member of  
140 his or her family, who applies for or receives assistance under the  
141 Medicaid program, shall apply for all benefits for which he or she may  
142 be eligible through the Veterans' Administration or the United States  
143 Department of Defense.

144 Sec. 2. (NEW) (*Effective October 1, 2013*) (a) For purposes of this  
145 section and sections 3 and 4 of this act, (1) "nursing home facility"  
146 means a chronic and convalescent nursing home and a rest home with  
147 nursing supervision, and (2) "penalty period" means the period of

148 Medicaid ineligibility imposed pursuant to 42 USC 1396p(c), as  
149 amended from time to time, on a person whose assets have been  
150 transferred for less than fair market value for the purposes of obtaining  
151 or maintaining Medicaid eligibility.

152 (b) Any transfer or assignment of assets resulting in the  
153 establishment or imposition of a penalty period shall create a debt, as  
154 defined in section 36a-645 of the general statutes, that shall be due and  
155 owing to a nursing home facility for the unpaid cost of care provided  
156 during the penalty period to a nursing home facility resident who has  
157 been subject to the penalty period. The amount of the debt established  
158 shall not exceed the fair market value of the transferred assets at the  
159 time of transfer that are the subject of the penalty period.

160 (c) The provisions of this section shall not affect other rights or  
161 remedies of the parties. A nursing home facility may bring an action to  
162 collect a debt for unpaid care given to a resident who has been subject  
163 to a penalty period, provided (1) the debt recovery does not exceed the  
164 fair market value of the transferred asset at the time of transfer, and (2)  
165 the asset transfer that triggered the penalty period took place not  
166 earlier than two years prior to the date of the resident's Medicaid  
167 application. The nursing home facility may bring such action against  
168 (A) the transferor, or (B) the transferee.

169 (d) In actions brought under subsection (c) of this section, a court of  
170 competent jurisdiction may award actual damages, court costs and  
171 reasonable attorneys' fees to a nursing home facility if such court  
172 determines, based upon clear and convincing evidence, that a  
173 defendant incurred a debt to a nursing home facility by (1) wilfully  
174 transferring assets that are the subject of a penalty period, (2) receiving  
175 such assets with knowledge of such purpose, or (3) making a material  
176 misrepresentation or omission concerning such assets. Court costs and  
177 reasonable attorneys' fees shall be awarded as a matter of law to a  
178 defendant who successfully defends an action or a counterclaim  
179 brought pursuant to this section. Any court, including a probate court  
180 acting under subdivision (3) of subsection (a) of section 45a-98 of the

181 general statutes or section 45a-364 of the general statutes, may also  
182 order that such assets or proceeds from the transfer of such assets be  
183 held in constructive trust to satisfy such debt.

184 (e) The provisions of this section shall not apply to a conservator  
185 who transfers income or principal with the approval of the Probate  
186 Court under subsection (d) or (e) of section 45a-655 of the general  
187 statutes.

188 Sec. 3. (NEW) (*Effective October 1, 2013*) (a) For purposes of this  
189 section, "applied income" means the income of a recipient of medical  
190 assistance, pursuant to section 17b-261 of the general statutes, as  
191 amended by this act, that is required, after the exhaustion of all  
192 appeals and in accordance with state and federal law, to be paid to a  
193 nursing home facility for the cost of care and services.

194 (b) In determining the amount of applied income, the Department of  
195 Social Services shall take into consideration any modification to the  
196 applied income due to revisions in a medical assistance recipient's  
197 community spouse minimum monthly needs allowance, as described  
198 in Section 1924 of the Social Security Act, and any other modification  
199 to applied income allowed by state or federal law.

200 (c) A nursing home facility shall provide written notice to a  
201 recipient of medical assistance and any person authorized under law  
202 to be in control of such recipient's applied income (1) of the amount of  
203 applied income due pursuant to subsections (a) and (b) of this section,  
204 (2) of the recipient's legal obligation to pay such applied income to the  
205 nursing home facility, and (3) that the recipient's failure to pay applied  
206 income due to a nursing home facility not later than ninety days after  
207 receiving such notice from the nursing home facility may result in a  
208 civil action in accordance with this section.

209 (d) Pursuant to the notice provisions of subsections (c) and (f) of this  
210 section, a nursing home facility that is owed applied income may, in  
211 addition to all other remedies authorized under statutory and common  
212 law, bring a civil action to recover the applied income, provided the

213 nursing home facility shall not commence such action against a  
214 recipient of medical assistance who has asserted that the applied  
215 income is needed to increase the minimum monthly needs allowance  
216 of the recipient's community spouse, pursuant to 42 USC 1396r-  
217 5(e)(2)(B). In such case, the nursing home facility may not commence  
218 such action until the recipient, the recipient's community spouse or the  
219 legal representative of either has exhausted their appeal rights before  
220 the Department of Social Services and in court. A nursing home facility  
221 may bring such action against (1) a medical assistance recipient who  
222 owes the applied income, or (2) a person with legal access to such  
223 recipient's applied income who acted with the intent to (A) deprive  
224 such recipient of the applied income, or (B) appropriate the applied  
225 income for himself, herself or a third person.

226 (e) If a court of competent jurisdiction determines, based upon clear  
227 and convincing evidence, that a defendant wilfully failed to pay or  
228 withheld applied income due and owing to a nursing home facility for  
229 more than ninety days after receiving notice pursuant to subsection (c)  
230 of this section, the court may award the amount of the debt owed,  
231 court costs and reasonable attorneys' fees to the nursing home facility.  
232 Court costs and reasonable attorneys' fees shall be awarded as a matter  
233 of law to a defendant who successfully defends an action or a  
234 counterclaim brought pursuant to this section. The provisions of this  
235 section shall not apply to a conservator who transfers income or  
236 principal with the approval of the Probate Court under subsection (d)  
237 or (e) of section 45a-655 of the general statutes.

238 (f) A nursing home facility shall not file any action under this  
239 section until (1) thirty days after it has given written notice of such  
240 action to any person who received notice pursuant to subsection (c) of  
241 this section, or (2) ninety-one days after it has given written notice of  
242 such action and the information required by subsection (c) of this  
243 section to any person who has not received notice pursuant to  
244 subsection (c) of this section.

245 Sec. 4. (NEW) (*Effective October 1, 2013*) Upon commencement of any

246 action brought under section 2 or 3 of this act, a nursing home facility  
247 shall mail a copy of the complaint to the Attorney General and the  
248 Commissioner of Social Services and, upon entry of any judgment or  
249 decree in the action, shall mail a copy of such judgment or decree to  
250 the Attorney General and the Commissioner of Social Services.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	17b-261
Sec. 2	<i>October 1, 2013</i>	New section
Sec. 3	<i>October 1, 2013</i>	New section
Sec. 4	<i>October 1, 2013</i>	New section

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	FY 14 \$	FY 15 \$
Social Services, Dept.	GF - Cost	Potential	Potential

**Municipal Impact:** None

**Explanation**

The bill could result in a cost to the Department of Social Services (DSS) associated with individuals attaining Medicaid eligibility sooner due to exempting life insurance policies with cash values of less than \$10,000. Currently, to be eligible for Medicaid long term care services, an applicant cannot have more than \$1,600 in liquid assets. Liquid assets include the cash value of most insurance policies. Eligibility is not granted until the policy is surrendered and the proceeds are spent and the \$1,600 liquid asset threshold is reached.

It is not known how many of the approximately 10,800 long term care applications granted annually are delayed due to the existence of a life insurance policy with a cash value less than \$10,000. Medicaid pays an average of approximately \$5,740 per person, per month for nursing home care.

The bill has several measures that allow nursing homes to seek restitution when assets are improperly transferred and a resident is therefore ineligible for Medicaid. As this concerns transactions between private entities and individuals, there is no state fiscal impact.

House "A" strikes the language in the underlying bill and results in the fiscal impact described above.

***The Out Years***

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

*Sources: Department of Social Services Caseload Information*

---

**OLR Bill Analysis****sHB 6607 (as amended by House "A")\******AN ACT CONCERNING NURSING HOMES.*****SUMMARY:**

This bill changes how the law treats the (1) assets of Medicaid long-term care applicants and beneficiaries and (2) amount of income Medicaid nursing home residents must apply to their care costs (applied income).

By law, Medicaid long-term care applicants who transfer assets for less than fair market value within five years of applying for coverage are presumed to have done so solely to qualify for Medicaid. People who cannot successfully rebut this presumption face a "penalty period" (period of Medicaid ineligibility). The value of the transferred asset is considered a debt the transferor or transferee owes the Department of Social Services (DSS).

The bill:

1. creates a second debt owed to nursing homes that serve these residents without payment during a penalty period and allows homes to sue to collect this debt;
2. allows the court to award damages and associated court fees for cases brought by the state or nursing homes regarding improper Medicaid asset transfers;
3. allows a court, including a probate court, to order assets or proceeds associated with an improper transfer to be held in a constructive trust to satisfy a debt owed a nursing home;

4. requires DSS to make certain considerations when determining a Medicaid nursing home resident's applied income amount;
5. requires nursing homes to provide written notice of applied income obligations and potential consequences for nonpayment to the resident and any person controlling the resident's income;
6. allows nursing homes to sue to collect applied income they are owed and courts to award both the amount due and associated legal fees;
7. requires nursing homes, when filing an applied income or improper asset transfer suit, and after a court issues a related judgment or decree, to mail copies of the complaint and court documents to the attorney general and DSS commissioner; and
8. prohibits DSS, to the extent federal law allows, from rendering a Medicaid long-term care applicant ineligible for assistance solely based on owning a life insurance policy with a surrender value of less than \$10,000.

\*House Amendment "A" replaces the underlying bill, which required a study of nursing homes.

EFFECTIVE DATE: October 1, 2013

## **MEDICAID LONG-TERM CARE ASSET TRANSFERS**

### ***Transfers that Create a Debt***

By law, when an asset transfer results in a penalty period, such transfer creates a debt owed to DSS by the person transferring the asset or the transferee. The amount of the debt equals the amount of Medicaid services provided to the transferor beginning on the date the assets are transferred (CGS § 17b-261a).

During a penalty period, DSS does not make Medicaid payments to the nursing home for the transferor's care. The bill creates a statutory debt, due the nursing home, in an amount equaling the unpaid cost of

care the facility provides during the penalty period. The debt amount may not exceed the fair market value of the transferred assets subject to the penalty period at the time they are transferred.

### **Lawsuits**

The bill provides that its provisions do not affect any other rights or remedies the parties may have. It permits a nursing home to sue either the asset's transferor or transferee to collect a debt for the unpaid care if (1) the debt recovery is no more than the transferred asset's fair market value at the time of transfer and (2) the transfer that triggered the penalty period occurred no more than two years before the nursing home resident applied for Medicaid.

The bill allows a court to award actual damages, court costs, and reasonable attorneys' fees to a plaintiff nursing home if it determines, based on clear and convincing evidence, that the defendant caused the debt to the home by (1) willfully transferring assets that are the subject of the penalty period, (2) receiving the assets knowing their purpose, and (3) making a material misrepresentation or omission concerning the assets.

The court costs and attorneys' fee must be awarded as a matter of law to a defendant who successfully defends an action or a counterclaim that is brought.

By law, the DSS and administrative services commissioners and the attorney general may seek administrative, legal, or equitable relief.

The bill further allows the court, including a probate court, to also order the assets or proceeds from the transfer to be held in constructive trust to satisfy the debt.

Under the bill, these provisions do not apply to a conservator who transfers income or principal with the probate court's approval (see BACKGROUND).

### **APPLIED INCOME**

**Definition**

In general, nursing home residents determined Medicaid-eligible must spend any income they have, except for a monthly needs allowance, on their nursing home care. This is commonly referred to as “applied income,” which means it is applied to the Medicaid recipient’s care costs. If the resident’s spouse is living elsewhere, some of the resident’s monthly income may go to support that spouse (see below). Under the bill, applied income is also the amount required to be paid to the home for the cost of care and services after the exhaustion of all appeals and in accordance with federal and state law.

**Considering Community Spouse’s Needs and Notice**

The bill requires DSS, when determining the amount of applied income, to take into consideration any modification to the applied income due to (1) revisions in the community spouse’s minimum monthly needs allowance (MMNA, see BACKGROUND) and (2) other modifications allowed by state or federal law.

Under the bill, nursing homes must provide written notice to Medicaid recipients and anyone the law authorizes to control the recipient’s applied income. The notice must indicate (1) the amount of applied income due the home and the recipient’s legal obligation to pay it and (2) that the recipient’s failure to pay it within 90 days of receiving the notice may result in a lawsuit.

**Lawsuits**

The bill authorizes a nursing home to sue to recover any applied income amount it is owed. But a home may not initiate a suit when a Medicaid recipient has asserted that his or her applied income is needed to increase the recipient’s community spouse’s MMNA. In this instance, the home must wait until the Medicaid recipient, the community spouse, or their legal representative, exhausts their appeal right before DSS and in court.

The bill allows the home to sue either (1) the Medicaid recipient who owes the money or (2) someone with legal access to the applied

income who acted with the intent to deprive the recipient of the income or appropriate it for himself, herself, or a third person.

If, based on clear and convincing evidence, a court finds that a defendant wilfully failed to pay or withheld applied income due and owing to a home for more than 90 days after receiving the notice, it may award the home the amount of debt owed, court costs, and attorneys' fees. The court costs must be awarded as a matter of law to a defendant who successfully defends an action or a counterclaim brought under the bill's provisions. These provisions do not apply to a conservator who transfers income or principal with the probate court's approval (see BACKGROUND).

A nursing home may not sue to recover applied income until 30 days after providing the applied income notice or, if the resident did not receive the notice, 91 days after providing the resident notice of the suit along with the information in the applied income notice.

### **LIFE INSURANCE POLICIES**

The bill provides that, to the extent permitted under federal law, institutionalized individuals cannot be determined ineligible for Medicaid solely based on having a life insurance policy with a cash surrender value of less than \$10,000, provided (1) the individual is pursuing the policy's surrender and (2) once it is surrendered, the proceeds are used to pay for the individual's long-term care.

Currently, a Medicaid applicant may not have more than \$1,600 in liquid assets to qualify for long-term care assistance. (If the applicant is married, this is after the state performs a spousal assessment and gives the community spouse a share of the combined assets.) DSS counts the cash surrender value of any life insurance policy with a face value of more than \$1,500 towards the asset limit. DSS also excludes certain transfers of such policies to cover funerals. DSS will not grant eligibility until the policy is surrendered and the money is "spent down" to the asset limit on the individual's care.

## **BACKGROUND**

### ***Constructive Trust***

A court can order a constructive trust against someone who, through wrongdoing, fraud, or other unconscionable act, obtains or holds legal property rights to which he or she is not entitled. It is often used to prevent undue enrichment. It can be used to order the person who would otherwise be unjustly enriched to transfer the property to the intended party.

### ***Community Spouse Allowance and Monthly Needs Allowance***

When one spouse is living in a nursing home and the other spouse lives elsewhere, the spouse who is not living in the nursing home (called the community spouse in Connecticut) is allowed by Medicaid to keep a portion of the institutionalized spouse's income. This income, called the community spouse allowance, is determined by subtracting the community spouse's monthly gross income from the MMNA. The MMNA amount will vary from case to case, but for 2013 the minimum is \$1,892; the maximum is \$2,898. The MMNA takes into account the community spouse's housing costs (e.g., rent, and utilities).

The minimum and maximum are set by federal law and the state must update the amounts each year. The maximum may only be exceeded if a DSS fair hearing orders it.

### ***Conservators of the Estates of Medicaid Recipients***

The law requires conservators of the estates of individuals receiving Medicaid to apply towards the recipient's cost of care any assets exceeding the limits set in law. Similarly, the law prohibits conservators from applying, and courts from approving, net income of the conserved person to support a community spouse in excess of the federal MMNA, unless such limits would result in significant financial distress.

The law further permits the probate court to authorize a conservator to make gifts or other transfers of income and principal from the conserved person's estate to certain trusts (CGS § 45a-655 (d) and (e)).

**Related Bill**

sSB 523 (File 19), which passed the Senate, requires the DSS commissioner, to the extent federal law allows, to reduce the penalty period for certain returned assets.

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable

Yea 16    Nay 2    (04/02/2013)

Judiciary Committee

Joint Favorable

Yea 30    Nay 14    (05/21/2013)