



OLR BACKGROUNDER: MEDICAID ELIGIBILITY

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Medicaid Enrollment

(as of August 2015)

HUSKY A: 427,689

HUSKY C: 95,122

HUSKY D: 179,690

Medicare Savings Program:
81,914

Limited Benefits
(Tuberculosis and Family
Planning): 1,121

Total Medicaid: 785,536

Source: DSS August 2015 Active
Assistance Unit Report

ISSUE

This report describes Medicaid eligibility in Connecticut and discusses recent changes. It updates [OLR Report 2013-R-0016](#).

SUMMARY

Medicaid is a state-federal program that provides medical assistance to low-income adults and families, as well as elderly or blind individuals and those living with disabilities. States operate their programs in compliance with federal law and broad program guidelines set by the federal Centers for Medicare and Medicaid Services (CMS). The Department of Social Services (DSS) administers the program.

Generally, in order to be eligible for Medicaid, individuals and families must meet income eligibility requirements (e.g., income and assets

below certain levels) and, sometimes, categorical eligibility requirements (e.g., living with a disability, pregnancy, age limits). DSS provides Medicaid through:

1. HUSKY A for children, parents, caretaker relatives, and pregnant women;
2. HUSKY C for individuals (a) age 65 or older or (b) age 18 to 65 and either blind or living with a disability;
3. HUSKY D for low-income individuals age 19 to 65;
4. the Medicare Savings Program; and
5. limited benefits programs related to tuberculosis and family planning.



Generally, with the exception of Medicaid waivers (which are beyond the scope of this report), Medicaid is an entitlement, meaning that those individuals who are eligible have a legal right to coverage and benefits as defined in Connecticut's state plan.

In 2015, the state legislature passed several bills that directly or indirectly affected Medicaid eligibility. [PA 15-5, June Sp. Sess., § 370](#) reduced HUSKY A coverage by lowering the income limit for non-pregnant adults (i.e., parents or caretakers) from 201% FPL to 155% FPL. [PA 15-80](#) requires the state treasurer to establish an ABLÉ program and administer individual ABLÉ accounts, in which funds are disregarded for purposes of establishing Medicaid eligibility. [PA 15-69](#) made numerous changes to statutes concerning HUSKY programs that conform to DSS practice and federal Affordable Care Act (ACA) requirements.

HUSKY A

HUSKY A provides Medicaid coverage to:

1. parents and needy caretaker relatives with household income up to 150% of the federal poverty level (FPL) ([CGS § 17b-261\(a\)](#), as amended by [Public Act 15-69](#) and [June Sp. Sess., Public Act 15-5](#));
2. children under age 19 with household income up to 196% FPL ([CGS § 17b-261\(a\)](#), as amended by [Public Act 15-69](#) and [June Sp. Sess., Public Act 15-5](#)); and
3. pregnant women with household income up to 258% FPL ([CGS § 17b-277\(a\)](#), as amended by [June Sp. Sess., Public Act 15-5](#)).

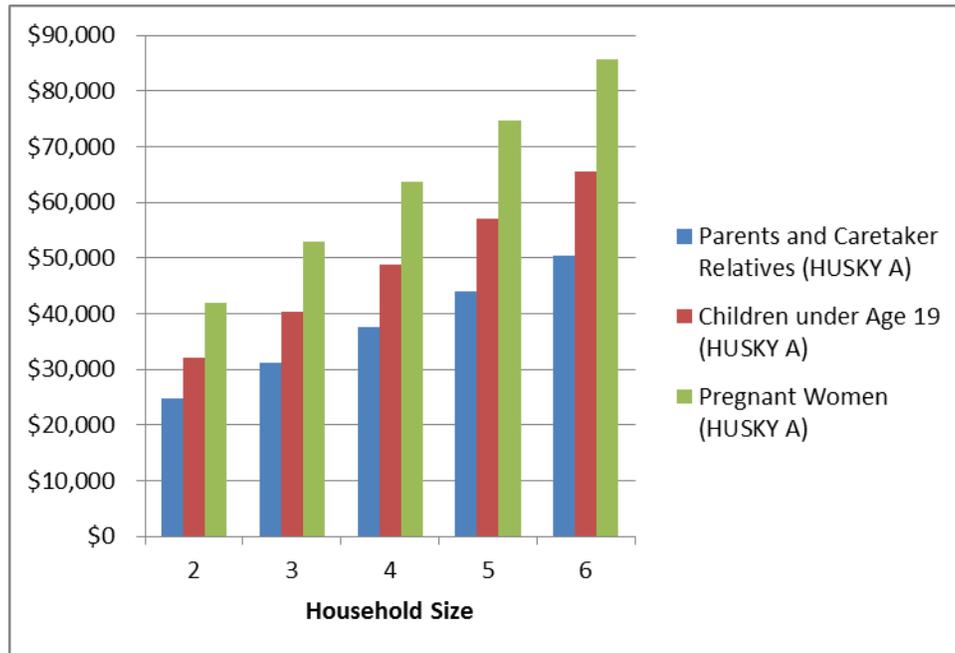
The FPL is a measure of income issued annually by the federal Department of Health and Human Services. In 2015, the FPL is \$11,770 for individuals, \$15,930 for a family of two, and \$20,090 for a family of three.

Income Limits

Figure 1 shows HUSKY A annual income limits for each group as they increase according to the size of the household.

The ACA changed the way income is calculated for certain Medicaid coverage groups, including those covered by HUSKY A, by requiring states to use modified adjusted gross income (MAGI) rules. The MAGI methodology eliminated certain income disregards (i.e., applicant income that DSS would not count when determining income) and added a 5% general income disregard. As a result, the income limits for these programs are effectively 5% higher than required by statute (i.e., 155% FPL, 201% FPL, and 263% FPL, respectively).

Figure 1: HUSKY A Annual Income Limits (as of August 1, 2015)



Source: [DSS](#)

Asset Limit

An asset test or limit restricts benefit eligibility for households with assets (e.g., savings) in excess of a specified dollar value. There is no asset test for HUSKY A. The ACA generally prohibits asset tests for those Medicaid groups whose eligibility is determined through MAGI rules ([42 CFR 435.603\(g\)](#)).

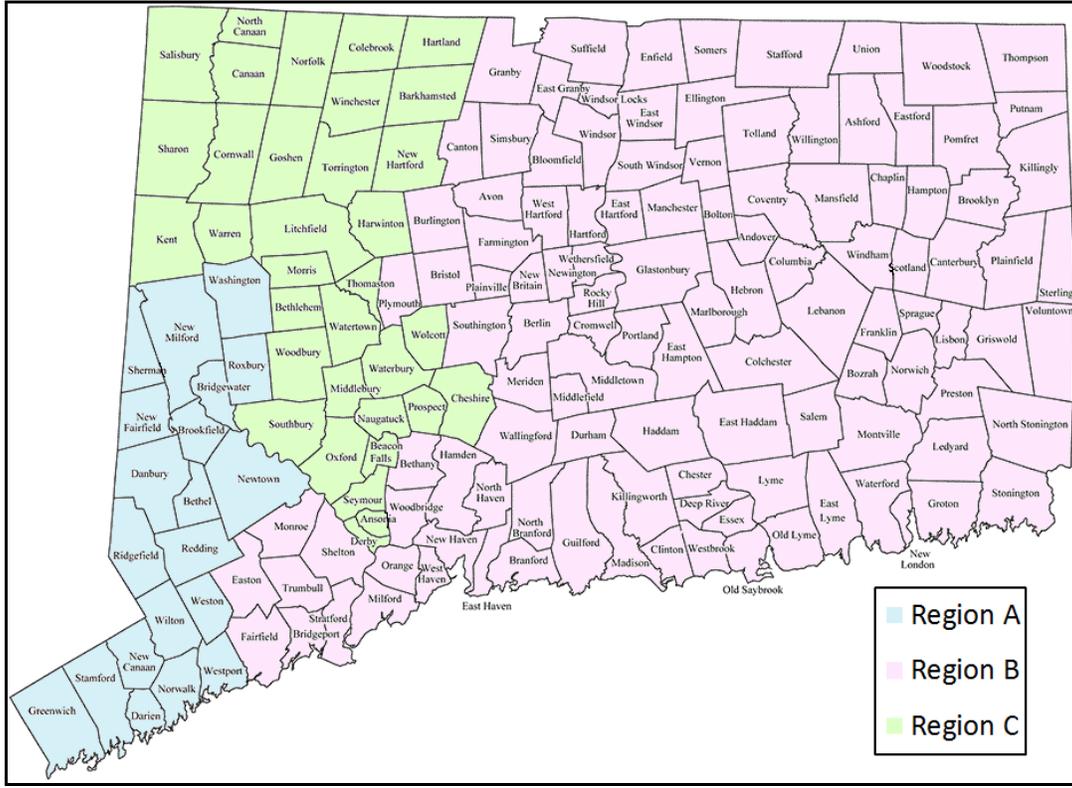
HUSKY C

HUSKY C provides Medicaid coverage to adults who are age 65 or older, blind, or living with a disability ([CGS § 17b-290\(15\)](#), as amended by [Public Act 15-69](#)).

Income Limits

HUSKY C income limits are not calculated with MAGI rules. They are based on the state's family cash assistance benefit (i.e., Temporary Family Assistance (TFA)) for the region where the applicant lives. Specifically, the income limit is 143% of the TFA benefit for the region, with a standard income disregard of \$337 for single individuals and \$404.90 for couples. Figure 2 shows the TFA regions and Table 1 shows HUSKY C monthly income limits (including the disregard).

Figure 2: Connecticut's TFA Regions



Source: [DSS \(TANF State Plan p. 59-60\)](#)

Table 1: HUSKY C Monthly Income Limits

	<i>Region A</i>	<i>Regions B and C</i>
Single Person	\$970.49	\$860.38
Married Couple	\$1,209.99	\$1,101.31

Source: [State Department on Aging](#)

Asset Limits

The asset limit for HUSKY C is \$1,600 for a single person and \$2,400 for a married couple. Certain assets are disregarded (i.e., not counted when calculating the applicant's assets), including one car per household, certain burial expenses, home property, and certain life insurance policies. Eligibility for long-term care through Medicaid has additional requirements and is beyond the scope of this report.

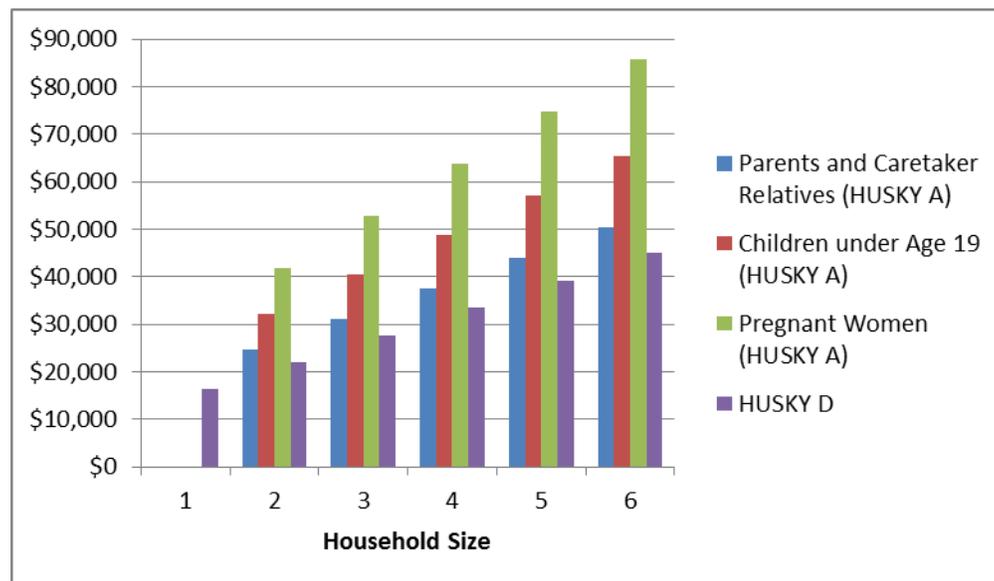
HUSKY D

HUSKY D provides Medicaid coverage to low-income adults, ages 18 to 64, who are not pregnant ([CGS § 17b-290\(16\)](#), as amended by [Public Act 15-69](#)). This population has also been known as Medicaid Coverage for the Lowest Income Populations (MCLIP), Medicaid for Low Income Adults (LIA or MLIA), and the Medicaid expansion population.

Income Limits

Like HUSKY A, HUSKY D uses the MAGI rules to calculate income eligibility. The HUSKY D income limit is 133% FPL (effectively, 138% including the 5% income disregard). Figure 3 shows HUSKY D income limits, with HUSKY A included for reference.

Figure 3: HUSKY D Annual Income Limits (with HUSKY A)



Source: [DSS](#)

Asset Limits

As mentioned above, federal law generally prohibits use of an asset test for those Medicaid groups who use the MAGI rules. HUSKY D, like HUSKY A, uses MAGI rules to calculate eligibility and thus does not have an asset test. (In 2012, DSS applied for a Medicaid waiver to allow for an asset test for this group, however CMS [denied](#) the request.)

MEDICARE SAVINGS PROGRAM

While Medicare is a federal program providing health coverage mainly to people age 65 and older, the Medicare Savings Program is Medicaid-funded. It covers certain cost-sharing requirements for Medicare enrollees with lower income levels. By law, the Medicare Savings Program provides three levels of assistance to Medicare enrollees based on the FPL ([CGS 17b-256f](#)). Table 2 shows the levels, their benefits, and their income limits in FPL and dollars per month.

Table 2: Medicare Savings Program Income Limits

<i>Program Level</i>	<i>Cost-Sharing Payments Covered</i>	<i>Income Limit (% FPL)</i>	<i>Monthly Income Limit (individual)</i>	<i>Monthly Income Limit (couple)</i>
Qualified Medicare Beneficiary Program (QMB)	<ul style="list-style-type: none"> • Medicare Part B Premium • All Medicare deductibles • Co-insurance 	Less than 211%	\$2,069.91	\$2,802.08
Special Low Income Medicare Beneficiary Program (SLMB)	<ul style="list-style-type: none"> • Medicare Part B Premium 	211%-231%	\$2,266.11	\$3,067.68
Additional Low Income Medicare Beneficiary Program (ALMB)	<ul style="list-style-type: none"> • Medicare Part B Premium 	231%-246%	\$2,413.26	\$3,266.68

Source: [DSS](#)

According to [DSS](#), ALMB benefits are subject to available funding and those receiving Medicaid are ineligible.

There is no asset limit for any level of the Medicare Savings Program.

OTHER LIMITED BENEFITS COVERAGE GROUPS

In 2010, DSS received [CMS' approval](#) to expand its Medicaid program to provide tuberculosis (TB)-related services to those with TB who do not otherwise qualify for Medicaid generally ([CGS § 17b-278f](#)). [Covered services](#) include respiratory therapy, limited pharmacy coverage, and non-emergency medical transportation.

In 2012, DSS also received approval for a [Medicaid State Plan Amendment](#) to cover family planning services for individuals with income up to 263% FPL (including the 5% income disregard). [Covered services](#) include comprehensive physical exams, screening and treatment for sexually transmitted diseases, and contraceptive services and supplies.

RECENT LEGISLATION

HUSKY A Eligibility for Parents and Caretakers

Effective August 1, 2015, [PA 15-5, June Sp. Sess., § 370](#) reduced HUSKY A coverage by lowering the income limit for non-pregnant adults (i.e., parents or caretakers) from 201% FPL to 155% FPL. According to DSS, as a result of a federal provision, current enrollees with earned income from employment who become ineligible under the new income limit will automatically receive transitional medical coverage until August 1, 2016.

The act also added requirements regarding (1) review of eligibility for those adults who may lose coverage, (2) preventing gaps in health care coverage, and (3) reporting on the effects of the lowered HUSKY A income limit (§ 371).

Under the act, before terminating coverage for a parent or needy caretaker relative who, beginning August 1, 2015, loses eligibility for Medicaid coverage, DSS must review whether the person remains eligible for Medicaid under his or her current category of coverage or a different category.

The act requires the DSS commissioner and the Connecticut Health Insurance Exchange (HIX) to ensure that parents or needy caretaker relatives who lose Medicaid eligibility are given an opportunity to enroll in a qualified health plan (QHP) without a gap in coverage. HIX must enlist the assistance of health and social services community-based organizations to contact and advise those parents or needy caretaker relatives of health insurance coverage options.

Beginning November 1, 2015 and ending December 1, 2017, the act requires DSS and HIX to report quarterly to the Council on Medical Assistance Program Oversight (MAPOC) on the number of parents and caretaker relatives who, due to changes in Medicaid income eligibility effective August 1, 2015:

1. were no longer eligible for Medicaid,
2. remained eligible after DSS' review,
3. lost Medicaid coverage and enrolled in a QHP without a gap in coverage,

4. lost Medicaid coverage and did not enroll in a QHP immediately after such coverage loss, and
5. enrolled in a QHP but were disenrolled for failure to pay premiums.

DSS is scheduled to present the first report at the [MAPOC](#) meeting on November 13, 2015.

The Achieving a Better Life Experience (ABLE) Act

The federal ABLE Act allows states to establish their own ABLE programs to (1) encourage individuals and families to save private funds to support individuals with disabilities to maintain health, independence, and quality of life and (2) provide secure funding for disability-related expenses on behalf of designated beneficiaries with disabilities that will supplement, but not replace, benefits provided through private insurance, Medicaid, and other sources.

[PA 15-80](#) requires the state treasurer to establish an ABLE program and administer individual ABLE accounts. Eligible individuals living with a disability or blindness, or their families, may establish and contribute to accounts. Funds in the accounts may be spent on qualified disability expenses, including education, housing, and transportation. While the act does not directly change Medicaid income or asset limits, funds invested in, contributed to, or distributed from an ABLE account must be disregarded when determining eligibility for assistance under federally-funded assistance or benefit programs, including Medicaid.

An Act Concerning HUSKY Programs

[PA 15-69](#) made numerous substantive, technical, and conforming changes to statutes related to HUSKY programs. Among other things, it defined HUSKY A, C, and D, and created the term "HUSKY Health" to refer to all HUSKY programs (including HUSKY B, which is not Medicaid-funded). To conform to federal law and current agency practice, the act adjusts income limits for HUSKY A and D in order to convert to federal MAGI rules, which do not include as many income disregards. In practice, DSS has been phasing in MAGI methodology since expanding Medicaid to low-income adults.

HYPERLINKS

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