



House of Representatives

General Assembly

File No. 274

February Session, 2016

House Bill No. 5250

House of Representatives, March 30, 2016

The Committee on Human Services reported through REP. ABERCROMBIE of the 83rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING CONTRIBUTIONS FROM SPOUSES OF INSTITUTIONALIZED MEDICAID RECIPIENTS.

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

1 Section 1. Subsection (c) of section 17b-81 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2016*):

4 (c) The Commissioner of Social Services shall determine a legally
5 liable relative contribution for the spouse of an institutionalized
6 [recipient of] individual who is a Medicaid recipient only when such
7 spouse has income in excess of (1) the minimum monthly needs
8 allowance or (2) the monthly needs allowance for such spouse as
9 determined by the commissioner, through a fair hearing or court
10 proceeding. The amount of such contribution shall not cause the
11 income of such spouse to fall below said minimum monthly needs
12 allowance or said monthly needs allowance for such spouse as
13 determined by the commissioner, through a fair hearing or court
14 proceeding. Notwithstanding the provisions of section 4a-12 or the

15 uniform contribution scale established by the Commissioner of
 16 Administrative Services pursuant to said section, any nontaxable
 17 income received from an annuity by the spouse of an institutionalized
 18 individual who is a Medicaid recipient shall be added to such spouse's
 19 taxable income when determining the amount such spouse owes as a
 20 contribution pursuant to this section. The spouse of an
 21 institutionalized individual, for whom a legally liable relative
 22 contribution is determined, may request a fair hearing regarding the
 23 amount of the contribution. For purposes of this section,
 24 "institutionalized individual" has the same meaning as provided in
 25 subsection (d) of section 17b-261a.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2016	17b-81(c)

HS *Joint Favorable*

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 17 \$	FY 18 \$
Social Services, Dept.	GF - Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in a savings associated with reduced Medicaid payments.

The bill adds nontaxable income from an annuity to the taxable income amount used for purposes of calculating the contribution of a legally liable spouse for their institutionalized spouse's care. This change will increase the contribution amount, which will reduce the associated Medicaid payment for the institutionalized spouse. While the scope of the impact is not known, it should be noted that the contribution amount is calculated as 12% of the difference between the liable spouse's taxable income and the state median income adjusted for family size. Actual savings will be dependent on (1) the number of applicable spouses, and (2) the increased spousal contribution as adjusted by the increased taxable income amount.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of applicable spouses and their associated contribution amounts.

OLR Bill Analysis**HB 5250*****AN ACT CONCERNING CONTRIBUTIONS FROM SPOUSES OF INSTITUTIONALIZED MEDICAID RECIPIENTS.*****SUMMARY:**

By law, the Department of Social Services (DSS) must determine a monetary contribution from a legally liable spouse of an institutionalized Medicaid recipient if the spouse has income over the (1) minimum monthly needs allowance or (2) monthly needs allowance for the spouse as determined by the commissioner in a fair hearing or court proceeding. The minimum monthly needs allowance varies from one individual to another and is calculated through a formula that takes into account a spouse's monthly housing and utility costs.

Currently, DSS determines the spouse's contribution, which is made to DSS, based on his or her taxable income. Under the bill, DSS must add to the taxable income any nontaxable income the spouse received from an annuity when determining his or her contribution.

EFFECTIVE DATE: July 1, 2016

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 16 Nay 1 (03/17/2016)