



# Senate

General Assembly

**File No. 317**

February Session, 2016

Substitute Senate Bill No. 279

*Senate, March 30, 2016*

The Committee on Human Services reported through SEN. MOORE, M. of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT WAIVING ASSET LIMITS FOR WORKING PERSONS WITH DISABILITIES TO RECEIVE MEDICAL ASSISTANCE.***

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

1 Section 1. Subsection (b) of section 17b-597 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2016*):

4 (b) The Commissioner of Social Services shall amend the Medicaid  
5 state plan to allow persons specified in subsection (a) of this section to  
6 qualify for medical assistance. The amendment shall include the  
7 following requirements: (1) That the person be engaged in a  
8 substantial and reasonable work effort as determined by the  
9 commissioner and as permitted by federal law and have an annual  
10 adjusted gross income, as defined in Section 62 of the Internal Revenue  
11 Code of 1986, or any subsequent corresponding internal revenue code  
12 of the United States, as amended from time to time, of no more than  
13 seventy-five thousand dollars per year; (2) a disregard of all countable  
14 income up to two hundred per cent of the federal poverty level; (3) [for

15 an unmarried person, an asset limit of ten thousand dollars, and for a  
16 married couple, an asset limit of fifteen thousand dollars; (4)] a  
17 disregard of any retirement and medical savings accounts established  
18 pursuant to 26 USC 220 and held by either the person or the person's  
19 spouse; [(5)] (4) a disregard of any moneys in accounts designated by  
20 the person or the person's spouse for the purpose of purchasing goods  
21 or services that will increase the employability of such person, subject  
22 to approval by the commissioner; [(6)] (5) a disregard of spousal  
23 income solely for purposes of determination of eligibility; and [(7)] (6)  
24 a contribution of any countable income of the person or the person's  
25 spouse which exceeds two hundred per cent of the federal poverty  
26 level, as adjusted for the appropriate family size, equal to ten per cent  
27 of the excess minus any premiums paid from income for health  
28 insurance by any family member, but which does not exceed the  
29 maximum contribution allowable under Section 201(a)(3) of Public  
30 Law 106-170, as amended from time to time.

31 Sec. 2. Section 17b-598 of the general statutes is repealed and the  
32 following is substituted in lieu thereof (*Effective July 1, 2016*):

33 The Commissioner of Social Services shall seek a waiver from  
34 federal law to permit a person participating in the program established  
35 under section 17b-597, as amended by this act, to remain eligible for  
36 medical assistance under the Medicaid program in the event such  
37 person is unable to maintain a work effort for involuntary reasons. No  
38 such person shall be required to make another application to  
39 determine continued eligibility for medical assistance under the  
40 Medicaid program. In order to remain eligible for such medical  
41 assistance, such person shall (1) request that such assistance be  
42 continued for a period not to exceed twelve months from the date of  
43 the involuntary loss of employment, and (2) maintain a connection to  
44 the workforce as determined by the commissioner during such period.  
45 At the end of the twelve-month period, such person shall meet the  
46 eligibility criteria for the Medicaid program. [, except that the  
47 commissioner shall disregard any assets specified in subdivisions (4)  
48 and (5) of subsection (b) of section 17b-597.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2016	17b-597(b)
Sec. 2	July 1, 2016	17b-598

**Statement of Legislative Commissioners:**

In Section 2, "as amended by this act," was inserted after "17b-597 for accuracy.

**HS**      *Joint Favorable Subst. -LCO*

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 - Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill will result in a cost to the state’s Medicaid program from eliminating the asset limit for the Med-Connect program.<sup>1</sup> The cost to the state will depend on (1) the number of people who will be eligible for the program who otherwise would be ineligible due to the asset limit, and (2) the costs of services incurred by the state for newly eligible individuals in the program. The program currently has 5,080 members at an annual gross cost of approximately \$126.5 million.<sup>2</sup> The estimated annual cost per member is approximately \$24,900. For reference a ½% increase in enrollment will result in an increase in expenditures of \$622,500.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to (1) the number of newly eligible members and (2) the cost of services rendered to newly eligible beneficiaries, net of pharmacy rebates and premiums.

<sup>11</sup> The Med-Connect program is a subset of HUSKY C which provides Medicaid coverage for working persons with disabilities.

<sup>2</sup> Figure reflects FY 15 gross expenditures, net of pharmacy rebates and member premiums. In general, Medicaid expenditures are eligible for 50% federal reimbursement.

**OLR Bill Analysis****sSB 279*****AN ACT WAIVING ASSET LIMITS FOR WORKING PERSONS WITH DISABILITIES TO RECEIVE MEDICAL ASSISTANCE.*****SUMMARY:**

This bill eliminates asset limits for individuals to qualify for the Med-Connect program, which provides Medicaid coverage to working individuals with disabilities. Currently, these limits are (1) \$10,000 for an unmarried individual and (2) \$15,000 for a married couple. Certain assets are currently excluded from the asset limit calculation (e.g., car, home, and approved retirement accounts.) The bill retains the program's \$75,000 annual adjusted gross income limit.

The bill also makes a conforming change.

EFFECTIVE DATE: July 1, 2016

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable

Yea 13 Nay 5 (03/15/2016)