

### Small Business Impact Statement

Prior to adopting a new section or amendment, Section 4-168a of the Connecticut General Statutes (C.G.S.) requires that each state agency consider the affect of such action on small businesses as defined in C.G.S. Section 4-168a. When such a regulatory action may have an adverse affect on small businesses, C.G.S. Section 4-168a directs the agency to consider regulatory requirements that will minimize the adverse impacts on small businesses if the addition of such requirements (1) will not interfere with the intended objectives of the regulatory action and (2) will allow the new section or amendment to remain consistent with public health, safety and welfare.

State Agency submitting proposed regulations: Department of Social Services

Subject matter of Regulation: Medicaid Eligibility & Deficit Reduction Act of 2006

In accordance with C.G.S. Section 4-168a, staff analyzed the affect on small businesses of the proposed regulations and determined the following:

True False (Check all appropriate boxes):

- The regulatory action will not have an affect on small businesses.
- The regulatory action will have an affect on small businesses, but will not have an adverse affect on such small businesses.
- The regulatory action may have an adverse affect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially affected small business. Alternatives considered include the following:
- (1) The establishment of less stringent compliance or reporting requirements for small businesses;
  - (2) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
  - (3) The consolidation or simplification of compliance or reporting requirements for small businesses;
  - (4) The establishment of performance standards for small businesses to replace design or operational standards required in the new section or amendment; and
  - (5) The exemption of small businesses from all or any part of the requirements contained in the new section or amendment.
- The regulatory action will have an adverse affect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare.

The State agency listed above notified the Department of Economic and Community Development of its intent to take the proposed action and completed the Agency Fiscal Estimate of Proposed Regulations.

**Revised Medicaid Eligibility and Deficit Reduction Act of 2006  
Lopes V Starkowski Decision**

The Average Annuity Amount	\$ 116,992.21
Monthly Private Pay Rate for LTC	\$ 11,588.75
Monthly State Pay Rate for LTC	\$ 6,160.00
Number of Clients Added Monthly	8
Number of Months it Would Take To Exhaust	
The Avg Annuity Amount at the Private Pay Rate	10

Months	Clients	Cost	Months	Clients	Cost
Oct-12	8	\$ 46,405.33	1	Feb-14	75 \$ 464,053.33
Nov-12	15	\$ 92,810.67	2	Mar-14	75 \$ 464,053.33
Dec-12	23	\$ 139,216.00	3	Apr-14	75 \$ 464,053.33
Jan-13	30	\$ 185,621.33	4	May-14	75 \$ 464,053.33
Feb-13	38	\$ 232,026.67	5	Jun-14	75 \$ 464,053.33
Mar-13	45	\$ 278,432.00	6	Jul-14	75 \$ 464,053.33
Apr-13	53	\$ 324,837.33	7	Aug-14	75 \$ 464,053.33
May-13	60	\$ 371,242.67	8	Sep-14	75 \$ 464,053.33
Jun-13	68	\$ 417,648.00	9	Oct-14	75 \$ 464,053.33
Jul-13	75	\$ 464,053.33	10	Nov-14	75 \$ 464,053.33
Aug-13	75	\$ 464,053.33		Dec-14	75 \$ 464,053.33
Sep-13	75	\$ 464,053.33		Jan-15	75 \$ 464,053.33
Oct-13	75	\$ 464,053.33		Feb-15	75 \$ 464,053.33
Nov-13	75	\$ 464,053.33		Mar-15	75 \$ 464,053.33
Dec-13	75	\$ 464,053.33		Apr-15	75 \$ 464,053.33
Jan-14	75	\$ 464,053.33		May-15	75 \$ 464,053.33
				Jun-15	75 \$ 464,053.33

	Gross	50% Match
Annualized Cost	\$ 5,568,640	\$ 2,784,320

Notes:

- 1) We are assuming since the clients would have been Medicaid eligible after 10 months that the state would now be paying for those additional 10 months of Medical expenses
  - 2) After the 10 months we drop 8 clients that would have become eligible under the old regulations and then add an additional new 8 clients since the average clients added every month is 8
  - 3) Since this was effective October 2012 we are assuming that the state will be paying medical services for an estimated additional 75 clients
  - 4) Private pay rate was taken from the following source
  - 5) The October 2012-December 2013 numbers are already in the base trend
- [http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383422&opmNav\\_GID=1814](http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383422&opmNav_GID=1814)