

OFFICE OF FISCAL ANALYSIS

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sSB-1053

AN ACT EXPANDING MEDICAID AND HUSKY B COVERAGE FOR CHILDREN.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Social Services, Dept.	GF - Cost	Approximately \$52.6 million	Approximately \$52.6 million

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in an annual cost to the Department of Social services of approximately \$52.6 million to provide health coverage for (1) certain individuals under the age of 19 in households with an annual income at or below 196% of the federal poverty limit (FPL) under a state funded Medicaid program¹ (\$31.3 million) and (2) expand HUSKY B coverage for certain individuals under the age of 19 in households with an annual income limit between 196% FPL and 318% FPL (\$21.3 million).^{2 3} Based on the data available, it is unclear how many families may exceed the FPL limits for HUSKY B.

¹ Section 1 of the bill is interpreted to be an expansion of the current HUSKY A program whose current income eligibility for a family of 4 is less than \$51,758 (196% FPL).

² Based on current HUSKY B income guidelines, the annual household income range for the program, for a family of four is \$51,757 to \$83,172 (196% to 318%FPL). Families in the higher end of the income range pay monthly premiums of \$30 per month for a single child and \$50 per month for more than one child.

³ Estimate based on most recent per member per month cost for HUSKY A of \$315 and \$183 for HUSKY B. The estimate assumes a population of approximately 18,000 with 46% in HUSKY A and 54% in HUSKY B. (Source: Migration Policy Institute.)

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It is unclear if coverage provided in section 1 will be considered an entitlement with no cap on enrollment. Expansion of Medicaid under section 1 is not anticipated to be eligible for federal Medicaid reimbursement. Coverage for the newly eligible population under HUSKY B (section 2) is not anticipated to be eligible for federal reimbursement under the federal Children's Health Insurance Program and is anticipated to be treated as an entitlement. The actual cost will depend on the number of eligible children and the cost of care. The state Medicaid program is a self-insured program whereby the state bears the cost of care on an incurred basis.

The Out Years

The annualized ongoing fiscal impact identified above will continue into the future depending on the (1) number of covered children and (2) the cost of care for utilized services.