OLR Bill Analysis

SB 564

AN ACT PERMITTING A COMMUNITY SPOUSE OF AN INSTITUTIONALIZED SPOUSE TO RETAIN THE MAXIMUM AMOUNT OF ALLOWABLE ASSETS.

SUMMARY

This bill requires the social services commissioner to amend the Medicaid state plan to allow the spouse of an institutionalized individual to retain the maximum amount of assets allowed under federal Medicaid law (i.e., the maximum community spouse protected amount (CSPA), which is $126,420 for 2019). Currently, the spouse can keep the greater of (1) half of the couple’s combined assets, up to the federal maximum or (2) the federal minimum CSPA ($25,284 for 2019).

Under the bill, the commissioner must adopt regulations to implement this change.

EFFECTIVE DATE: Upon passage

BACKGROUND

CSPA

To qualify for Medicaid, an institutionalized individual’s assets cannot exceed $1,600. If the applicant has a spouse living at home, federal law allows the spouse to keep some of the couple’s assets to prevent the spouse from becoming impoverished (i.e., CSPA). The minimum and maximum CSPA amounts are set by federal law and the state must update them annually.

Institutionalized Spouse

For purposes of Medicaid eligibility, an institutionalized spouse is someone who resides in a medical or long-term care facility (e.g., nursing home), or who receives home- and community-based services under a Medicaid waiver, and who is married to someone who does not reside in any such facility or receive such services.
COMMITTEE ACTION
Aging Committee

Joint Favorable
Yea 13  Nay 0  (02/20/2019)