OLR Bill Analysis
SB 566

AN ACT CONCERNING RETROACTIVE MEDICAID ELIGIBILITY FOR HOME CARE SERVICES.

SUMMARY
This bill requires the Department of Social Services (DSS) commissioner to provide, in accordance with federal regulations, retroactive benefits to applicants of the Connecticut Home Care Program for Elders (CHCPE) for up to three months before the date of their application. In practice and under federal law, DSS already makes retroactive payments for certain other Medicaid services, including long-term care services.

Under federal law, DSS must impose a penalty period when individuals transfer assets for less than fair market value in the 60 months before applying for Medicaid coverage. The bill requires the penalty period for CHCPE residents to start on the later of the (1) first of the month in which the penalized transfer occurred or (2) date the applicant would have received services if not for the penalty. Under current practice, DSS starts the penalty period on the date the application is approved. Thus, CHCPE recipients would generally receive their benefits sooner under the bill.

EFFECTIVE DATE: July 1, 2019

BACKGROUND

Retroactive Medicaid Payments
Under federal regulations, individuals are eligible for up to three months of retroactive Medicaid coverage, provided they (1) received Medicaid services during that time and (2) would have been Medicaid eligible if they had applied (42 CFR § 435.915).

Asset Transfer Penalties
Generally, the penalty period (in months) is calculated by dividing the value of all assets transferred for less than fair market value during the 60 months before application by the average monthly cost of private nursing home care in the state or community. Medicaid does not pay for long-term care services and supports during the penalty period.

**Connecticut Home Care Program for Elders**

CHCPE is a Medicaid waiver and state-funded program that provides a range of home- and community-based services for eligible individuals age 65 or older who are at risk of institutionalization. To be eligible for CHCPE, individuals must meet income and asset limits.

**COMMITTEE ACTION**

Aging Committee

Joint Favorable

Yea 13  Nay 0  (02/20/2019)