



# House of Representatives

General Assembly

**File No. 240**

January Session, 2021

Substitute House Bill No. 6482

*House of Representatives, April 1, 2021*

The Committee on Veterans' Affairs reported through REP. BOYD of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT EXCLUDING FEDERAL VETERANS' BENEFITS FROM INCOME ELIGIBILITY FOR PUBLIC ASSISTANCE PROGRAMS.***

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

1 Section 1. Subsection (a) of section 17b-28i of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
3 *2021*):

4 (a) To the extent permissible by federal law, the Commissioner of  
5 Social Services shall disregard any federal [Aid and Attendance  
6 pension] benefits administered by the United States Department of  
7 Veterans Affairs and granted to a veteran or the surviving spouse of  
8 such veteran when determining income eligibility for the state's  
9 Medicare savings, medical assistance and energy assistance programs  
10 administered under section 17b-2. As used in this subsection, "veteran"  
11 means any person (1) honorably discharged from, or released under  
12 honorable conditions from active service in, the armed forces, as defined  
13 in section 27-103, or (2) with a qualifying condition, as defined in said  
14 section, who has received a discharge other than bad conduct or

15 dishonorable from active service in the armed forces.

16 Sec. 2. Subsection (a) of section 17b-104 of the general statutes is  
17 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
18 *2021*):

19 (a) The Commissioner of Social Services shall administer the program  
20 of state supplementation to the Supplemental Security Income Program  
21 provided for by the Social Security Act and state law. The commissioner  
22 may delegate any powers and authority to any deputy, assistant,  
23 investigator or supervisor, who shall have, within the scope of the  
24 power and authority so delegated, all of the power and authority of the  
25 Commissioner of Social Services. The commissioner shall establish a  
26 standard of need based on the cost of living in this state for the  
27 temporary family assistance program and the state-administered  
28 general assistance program. The commissioner shall make a  
29 reinvestigation, at least every twelve months, of all cases receiving aid  
30 from the state, except that such reinvestigation may be conducted every  
31 twenty-four months for recipients of assistance to the elderly or disabled  
32 with stable circumstances, and shall maintain all case records of the  
33 several programs administered by the Department of Social Services so  
34 that such records show, at all times, full information with respect to  
35 eligibility of the applicant or recipient. In the determination of need  
36 under any public assistance program, such income or earnings shall be  
37 disregarded as federal law requires, and such income or earnings may  
38 be disregarded as federal law permits. In determining eligibility, the  
39 commissioner shall disregard from income [Aid and Attendance  
40 pension] any federal benefits administered by the United States  
41 Department of Veterans Affairs and granted to a veteran, as defined  
42 under section 27-103, or the surviving spouse of such veteran. The  
43 commissioner shall encourage and promulgate such incentive earning  
44 programs as are permitted by federal law and regulations.

45 Sec. 3. Subsection (c) of section 17b-191 of the general statutes is  
46 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
47 *2021*):

48 (c) To be eligible for cash assistance under the program, a person shall  
49 (1) be (A) eighteen years of age or older; (B) a minor found by a court to  
50 be emancipated pursuant to section 46b-150; or (C) under eighteen years  
51 of age and the commissioner determines good cause for such person's  
52 eligibility, and (2) not have assets exceeding two hundred fifty dollars  
53 or, if such person is married, such person and his or her spouse shall not  
54 have assets exceeding five hundred dollars. In determining eligibility,  
55 the commissioner shall not consider as income [Aid and Attendance  
56 pension] any federal benefits administered by the United States  
57 Department of Veterans Affairs and granted to a veteran, as defined in  
58 section 27-103, or the surviving spouse of such veteran. No person who  
59 is a substance abuser and refuses or fails to enter available, appropriate  
60 treatment shall be eligible for cash assistance under the program until  
61 such person enters treatment. No person whose benefits from the  
62 temporary family assistance program have terminated as a result of  
63 time-limited benefits or for failure to comply with a program  
64 requirement shall be eligible for cash assistance under the program.

65 Sec. 4. Section 17b-256f of the general statutes is repealed and the  
66 following is substituted in lieu thereof (*Effective July 1, 2021*):

67 The Commissioner of Social Services shall increase income disregards  
68 used to determine eligibility by the Department of Social Services for the  
69 federal Qualified Medicare Beneficiary, the Specified Low-Income  
70 Medicare Beneficiary and the Qualifying Individual programs,  
71 administered in accordance with the provisions of 42 USC 1396d(p), by  
72 such amounts that shall result in persons with income that is (1) less  
73 than two hundred eleven per cent of the federal poverty level qualifying  
74 for the Qualified Medicare Beneficiary program, (2) at or above two  
75 hundred eleven per cent of the federal poverty level but less than two  
76 hundred thirty-one per cent of the federal poverty level qualifying for  
77 the Specified Low-Income Medicare Beneficiary program, and (3) at or  
78 above two hundred thirty-one per cent of the federal poverty level but  
79 less than two hundred forty-six per cent of the federal poverty level  
80 qualifying for the Qualifying Individual program. The commissioner  
81 shall not apply an asset test for eligibility under the Medicare Savings

82 Program. The commissioner shall not consider as income [Aid and  
83 Attendance pension] any federal benefits administered by the United  
84 States Department of Veterans Affairs and granted to a veteran, as  
85 defined in section 27-103, or the surviving spouse of such veteran. The  
86 Commissioner of Social Services, pursuant to section 17b-10, may  
87 implement policies and procedures to administer the provisions of this  
88 section while in the process of adopting such policies and procedures in  
89 regulation form, provided the commissioner prints notice of the intent  
90 to adopt the regulations on the department's Internet web site and the  
91 eRegulations System not later than twenty days after the date of  
92 implementation. Such policies and procedures shall be valid until the  
93 time final regulations are adopted.

94 Sec. 5. Subsection (a) of section 17b-261 of the general statutes is  
95 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
96 *2021*):

97 (a) Medical assistance shall be provided for any otherwise eligible  
98 person whose income, including any available support from legally  
99 liable relatives and the income of the person's spouse or dependent  
100 child, is not more than one hundred forty-three per cent, pending  
101 approval of a federal waiver applied for pursuant to subsection (e) of  
102 this section, of the benefit amount paid to a person with no income  
103 under the temporary family assistance program in the appropriate  
104 region of residence and if such person is an institutionalized individual  
105 as defined in Section 1917 of the Social Security Act, 42 USC 1396p(h)(3),  
106 and has not made an assignment or transfer or other disposition of  
107 property for less than fair market value for the purpose of establishing  
108 eligibility for benefits or assistance under this section. Any such  
109 disposition shall be treated in accordance with Section 1917(c) of the  
110 Social Security Act, 42 USC 1396p(c). Any disposition of property made  
111 on behalf of an applicant or recipient or the spouse of an applicant or  
112 recipient by a guardian, conservator, person authorized to make such  
113 disposition pursuant to a power of attorney or other person so  
114 authorized by law shall be attributed to such applicant, recipient or  
115 spouse. A disposition of property ordered by a court shall be evaluated

116 in accordance with the standards applied to any other such disposition  
117 for the purpose of determining eligibility. The commissioner shall  
118 establish the standards for eligibility for medical assistance at one  
119 hundred forty-three per cent of the benefit amount paid to a household  
120 of equal size with no income under the temporary family assistance  
121 program in the appropriate region of residence. In determining  
122 eligibility, the commissioner shall not consider as income [Aid and  
123 Attendance pension] any federal benefits administered by the United  
124 States Department of Veterans Affairs and granted to a veteran, as  
125 defined in section 27-103, or the surviving spouse of such veteran.  
126 Except as provided in section 17b-277 and section 17b-292, the medical  
127 assistance program shall provide coverage to persons under the age of  
128 nineteen with household income up to one hundred ninety-six per cent  
129 of the federal poverty level without an asset limit and to persons under  
130 the age of nineteen, who qualify for coverage under Section 1931 of the  
131 Social Security Act, with household income not exceeding one hundred  
132 ninety-six per cent of the federal poverty level without an asset limit,  
133 and their parents and needy caretaker relatives, who qualify for  
134 coverage under Section 1931 of the Social Security Act, with household  
135 income not exceeding one hundred fifty-five per cent of the federal  
136 poverty level without an asset limit. Such levels shall be based on the  
137 regional differences in such benefit amount, if applicable, unless such  
138 levels based on regional differences are not in conformance with federal  
139 law. Any income in excess of the applicable amounts shall be applied as  
140 may be required by said federal law, and assistance shall be granted for  
141 the balance of the cost of authorized medical assistance. The  
142 Commissioner of Social Services shall provide applicants for assistance  
143 under this section, at the time of application, with a written statement  
144 advising them of (1) the effect of an assignment or transfer or other  
145 disposition of property on eligibility for benefits or assistance, (2) the  
146 effect that having income that exceeds the limits prescribed in this  
147 subsection will have with respect to program eligibility, and (3) the  
148 availability of, and eligibility for, services provided by the Nurturing  
149 Families Network established pursuant to section 17b-751b. For  
150 coverage dates on or after January 1, 2014, the department shall use the

151 modified adjusted gross income financial eligibility rules set forth in  
152 Section 1902(e)(14) of the Social Security Act and the implementing  
153 regulations to determine eligibility for HUSKY A, HUSKY B and  
154 HUSKY D applicants, as defined in section 17b-290. Persons who are  
155 determined ineligible for assistance pursuant to this section shall be  
156 provided a written statement notifying such persons of their ineligibility  
157 and advising such persons of their potential eligibility for one of the  
158 other insurance affordability programs as defined in 42 CFR 435.4.

159 Sec. 6. Subsection (l) of section 17b-342 of the general statutes is  
160 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
161 *2021*):

162 (l) In determining eligibility for the program described in this section,  
163 the commissioner shall not consider as income [Aid and Attendance  
164 pension] any federal benefits administered by the United States  
165 Department of Veterans Affairs and granted to a veteran, as defined in  
166 section 27-103, or the surviving spouse of such veteran.

167 Sec. 7. Subsection (a) of section 17b-801 of the general statutes is  
168 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
169 *2021*):

170 (a) The Commissioner of Social Services shall administer a state-  
171 appropriated fuel assistance program to provide, within available  
172 appropriations, fuel assistance to elderly and disabled persons whose  
173 household gross income is above the income eligibility guidelines for  
174 the Connecticut energy assistance program but does not exceed two  
175 hundred per cent of federal poverty guidelines. The income eligibility  
176 guidelines for the state-appropriated fuel assistance program shall be  
177 determined, annually, by the Commissioner of Social Services, in  
178 conjunction with the Secretary of the Office of Policy and Management.  
179 In determining eligibility, the commissioner shall not consider as  
180 income [Aid and Attendance pension] any federal benefits administered  
181 by the United States Department of Veterans Affairs and granted to a  
182 veteran, as defined under section 27-103, or the surviving spouse of such  
183 veteran. The commissioner may adopt regulations, in accordance with

184 the provisions of chapter 54, to implement the provisions of this  
185 subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	17b-28i(a)
Sec. 2	<i>July 1, 2021</i>	17b-104(a)
Sec. 3	<i>July 1, 2021</i>	17b-191(c)
Sec. 4	<i>July 1, 2021</i>	17b-256f
Sec. 5	<i>July 1, 2021</i>	17b-261(a)
Sec. 6	<i>July 1, 2021</i>	17b-342(l)
Sec. 7	<i>July 1, 2021</i>	17b-801(a)

**VA**      *Joint Favorable Subst.*

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 22 \$	FY 23 \$
Social Services, Dept.	GF - Cost	Indeterminate	Indeterminate

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill will result in a cost to the Department of Social Services (DSS) associated with disregarding any federal benefits for veterans or their surviving spouses for purposes of determining income eligibility. By reducing the income that is currently counted towards income limits, the bill increases the number of individuals who could be eligible under the following DSS programs: Medicaid, the Medicare Savings Program, State Supplement (Aid to the Aged, Blind and Disabled), State Administered General Assistance, Connecticut Home Care Program for Elders, and energy assistance.

For context, there were 167,000 veterans in Connecticut on 9/30/20. The number of veterans participating in the assistance programs specified by the bill is unknown. The impact of the bill is dependent on (1) the number of veterans participating in each DSS program, (2) the benefit amount being disregarded, and (3) the income limits of the program.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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**OLR Bill Analysis****sHB 6482*****AN ACT EXCLUDING FEDERAL VETERANS' BENEFITS FROM INCOME ELIGIBILITY FOR PUBLIC ASSISTANCE PROGRAMS.*****SUMMARY**

Under current law, the Department of Social Services (DSS) must disregard a veteran's or surviving spouse's federal aid and attendance pension benefits when calculating income for certain (1) means-tested state assistance programs and (2) federally-funded assistance programs, to the extent allowed by federal law. This bill expands the income disregard to include any U.S. Department of Veterans Affairs (VA)-administered federal benefits (see BACKGROUND). Under the bill, the income disregards apply to the following programs:

1. Medicaid (§§ 1 & 5),
2. Medicare Savings Program (§§ 1 & 4),
3. Connecticut Energy Assistance Program (§ 1),
4. State Administered General Assistance (§ 3),
5. State Supplement Program (§ 2),
6. Connecticut Home Care Program for Elders (§ 6), and
7. State Appropriated Fuel Assistance Program (which is currently inactive)(§ 7).

As a veteran's disability compensation payments are not subject to federal or state income tax, they are disregarded in determining eligibility for Medicaid coverage groups that use modified adjusted gross income (MAGI) rules to calculate income limits (i.e., HUSKY A, B, and D). For coverage groups that do not use MAGI rules (HUSKY C),

only aid and attendance benefits are disregarded.

As under existing law, DSS may apply to the federal Centers for Medicare and Medicaid Services to amend the state Medicaid plan or seek a waiver from federal law, if necessary, to exempt these veterans' benefits (CGS § 17b-28i).

EFFECTIVE DATE: July 1, 2021

## **BACKGROUND**

### ***Aid and Attendance***

The VA's aid and attendance benefit is a monthly payment added to a VA pension for qualified veterans and survivors who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity.

### ***U.S. VA-Administered Benefits***

The VA administers numerous benefits for veterans (and in some cases spouses, dependents, and survivors), including (1) pension benefits (i.e., veterans and survivors' pensions and aid and attendance and housebound allowances); (2) disability benefits; (3) health care; and (4) education benefits.

### ***Related Bills***

sSB 917, favorably reported by the Veterans' Affairs Committee, expands the income disregard for veterans and their surviving spouses under the same DSS assistance programs to include any VA-administered federal pension benefit, rather than just aid and attendance benefits.

HB 5592, favorably reported by the Veterans' Affairs Committee, expands the general definition of "veteran" under state law to include those released with an other than honorable discharge based on specified qualifying conditions (e.g., military sexual trauma experience, a qualifying mental health condition, sexual orientation, or gender identity or expression). In doing so, it expands eligibility for any statutory programs or benefits that reference this definition, including

the DSS income disregards for veterans and their surviving spouses.

**COMMITTEE ACTION**

Veterans' Affairs Committee

Joint Favorable Substitute

Yea 14 Nay 3 (03/18/2021)