

Aging Committee JOINT FAVORABLE REPORT

Bill No.: SB-818

AN ACT PERMITTING THE COMMUNITY SPOUSE OF AN
INSTITUTIONALIZED MEDICAID RECIPIENT TO RETAIN THE MAXIMUM

Title: AMOUNT OF ALLOWABLE ASSETS.

Vote Date: 2/16/2021

Vote Action: Joint Favorable Change of Reference to Appropriations

PH Date: 2/9/2021

File No.:

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SPONSORS OF BILL:

Aging Committee

REASONS FOR BILL:

This bill directs that Dept. of Social Services to amend the Medicaid state plan to permit a spouse of an institutionalized spouse to retain the maximum resource amount allowable and to adopt regulations to implement its provisions.

RESPONSE FROM ADMINISTRATION/AGENCY:

Dept of Social Services: They offered testimony in opposition to this legislation. Under the current statute, community spouses of long-term care Medicaid recipients can keep ½ of the couple's assets up to the federal maximum of \$130,380 and if total assets are under \$26,076, all of them. The Dept. contends that the current policy is fair and is in line with most other states. Because of those reasons and that increasing the protected amount will result in a significant unfunded fiscal impact to the state they cannot support this bill.

NATURE AND SOURCES OF SUPPORT:

Marie Allen, Executive Director, Connecticut Assoc. of Area Agencies on Aging: They offered testimony in support of this proposal. They believe that it will reduce the likelihood of a community spouse's trajectory towards needing State assistance for their own care. Increasing the maximum allowable spousal assessment makes sense for residents and long-term care fiscal strategies.

Anna Doroghazi, AARP Connecticut: They are in support of this bill and point out that when community spouses are required to spend down assets to reach the set maximum, they lose their rainy-day fund and are not as well equipped to address future needs that may arise. Allowing spouses to keep more of these assets gives them a financial cushion they need to take care of themselves. Most beneficiaries for Medicaid long-term care services and supports are under the age of 65 and spouses may need to save and plan for the future.

Kathleen Hayes, Attorney, Elder Law Section of the Connecticut Bar Assoc.: She offered testimony in support of this proposal. Their comments suggest that the bill preserves the intent of the federal Medicare Catastrophic Coverage Act, does not have a fiscal impact on the state, will save the state money by reducing the number of Fair Hearings and provides equal treatment to middle class families by according the same protections enjoyed by more financially stable couples.

Edward Lang, Lang and Corona, P.C.: He offered testimony in support of this legislation and says the current law places an unfair burden on our less affluent citizens and often forces a spouse into poverty. Increasing the spouses protected amount avoids impoverishing the spouse. Increasing the Community Spouse Protected Amount aims to provide equal treatment to middle class and less affluent families by according the same protections enjoyed by more financially stable couples. In many cases, this increased sum will enable individuals to remain in their homes and apartments and not force them to move into low-income housing or convalescent homes.

NATURE AND SOURCES OF OPPOSITION:

No testimony in opposition was submitted.

**Reported by: Richard Ferrari, Assistant Clerk
Joe Perkus, Clerk**

Date: 3/4/21