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## OLR Bill Analysis

### HB 5402

#### ***AN ACT EXCLUDING FROM VETERANS' INCOME CALCULATIONS CERTAIN BENEFITS PAYMENTS FOR PURPOSES OF ELIGIBILITY FOR CERTAIN STATE AND MUNICIPAL PROGRAMS.***

#### **SUMMARY**

By law, state agencies and municipalities must calculate a person's income when determining his or her eligibility for certain means-tested benefits and programs. This bill requires agencies and municipalities to disregard (exclude) the following payments to veterans and their surviving spouses when determining their eligibility for the social services, housing, health, and property tax benefits specified in the table below:

1. U.S. Department of Defense (DOD)-administered pensions (presumably retirement pay, see BACKGROUND);
2. U.S. Department of Veterans Affairs (U.S. VA)-administered disability benefits (presumably U.S. VA disability compensation, see BACKGROUND);
3. temporary financial assistance from the state Department of Veterans Affairs; and
4. temporary financial assistance from the Soldiers, Sailors and Marines Fund.

As shown in the table below, the bill also removes the explicit exemption for aid and attendance payments for seven programs. (It is unclear whether aid and attendance payments are among the VA-administered disability benefits the bill requires be disregarded. While certain veterans with disabilities may receive aid and attendance payments, these payments are associated with VA-administered

pensions, which are not disregarded under the bill, see BACKGROUND).

EFFECTIVE DATE: July 1, 2024, and applicable to applications filed on or after that date, and October 1, 2024, and applicable to assessment years starting on and after that date for provisions on municipal property tax exemptions (§§ 19-21) and a technical change (§ 6).

### **PROGRAMS AND BENEFITS AFFECTED**

The bill requires agencies or municipalities, as applicable, to disregard the above income sources when administering the programs and benefits listed in the table. The table also indicates (1) three programs for which these income sources must be disregarded for purposes of determining the amount of benefit, rather than only eligibility, and (2) programs for which the bill eliminates the explicit requirement that administrators disregard aid and attendance benefits.

The bill also requires the Department of Social Services to disregard these income sources for any other aid programs the department administers.

**Table: Programs and Benefits That Must Disregard Veterans' Disability Compensation for Eligibility Purposes**

<b><i>Bill Section</i></b>	<b><i>Program or Benefit</i></b>
1, 5 & 6*	Medicaid (CGS §§ 17b-28i and 17b-261(a), and PA 23-204, § 302)
2*	State Supplemental Program (CGS § 17b-104(a))
3*	State Administered General Assistance (CGS § 17b-191(c))
4*	Medicare Savings Program (CGS § 17b-265f)
7*	Connecticut Home Care Program for Elders (CGS § 17b-342(l))
8	Medicaid personal care assistance (PCA) waiver (CGS § 17b-605a(a))
9*	State Appropriated Fuel Assistance Program (currently inactive) (CGS § 17b-801(a))
10	Elderly Rental Assistance program, and also for determining the benefit amount (CGS § 8-119kk(g))
11	Senior Citizen Emergency Home Repair and Rehabilitation (CGS § 8-219b(a))
12	Financial assistance for the abatement of lead-based paint and asbestos (CGS § 8-219e(b))
13	Rental Assistance Program, and also for determining the benefit amount (CGS § 8-345(g))

<b>Bill Section</b>	<b>Program or Benefit</b>
14	Alzheimer's Respite Program (also known as the Connecticut Statewide Respite Care Program) (CGS § 17a-860(c)(1))
15 & 16	Temporary Family Assistance, and also for determining benefit amount (CGS §§ 17b-80(b) & 17b-112(d))
17	Postpartum care for women without legal immigration status (CGS § 17b-257e)
18	Maternal and child health protection program (CGS § 19a-59b(a))
19, 20 & 21	Municipal property tax exemptions (CGS §§ 12-81g(b), 12-81i, & 12-81kk(a))

\*Under current law, aid and attendance payments are explicitly disregarded, but under the bill they are not.

## **BACKGROUND**

### ***DOD Retirement Pay***

The DOD provides regular and disability retirement pay (as well as non-regular pay for certain reserve members). Generally, service members who receive regular retirement pay have 20 or more years of active service. Eligibility is not contingent on a disability or need.

DOD disability retirement pay is provided to service members who have been deemed medically unfit for continued service and have a disability rating of at least 30%.

### ***U.S. VA Disability Benefits***

VA disability compensation (often referred to as “disability benefits”) is a monthly tax-free payment to veterans who got sick or injured while serving in the military and to veterans whose service made an existing condition worse.

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

Individuals receiving a VA-administered pension may also receive aid and attendance benefits, which provide additional monthly payments to qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity. (The U.S. VA-administered pension program provides monthly payments to wartime veterans who meet certain age or disability requirements, and who have income and net worth within certain limits.

Qualifying disabilities do not need to be service-related.)

**Related Bills**

sSB 344, favorably reported by the Veterans' and Military Affairs Committee, requires the Department of Social Services to disregard U.S. VA-administered pensions and housebound allowance payments for certain programs it administers, in addition to aid and attendance benefits as existing law requires.

sHB 5001, favorably reported by the Aging Committee, requires DSS to establish a presumptive eligibility system for the Connecticut Home Care Program for Elders.

**COMMITTEE ACTION**

Veterans' and Military Affairs Committee

Joint Favorable

Yea 20 Nay 0 (03/14/2024)