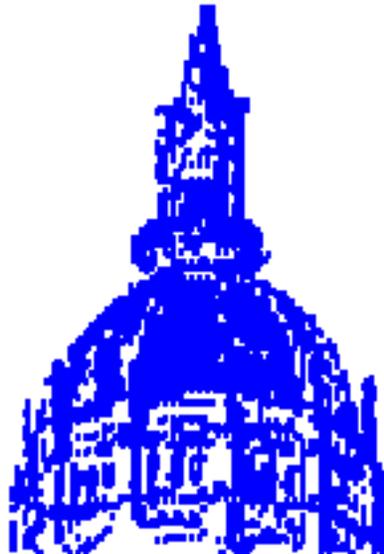


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OLR ACTS AFFECTING

SENIORS
(Revised)



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NOTICE TO READERS

This report provides brief highlights of public and special acts affecting seniors enacted during the 2003 regular and the June 30 and September 8 special sessions. At the end of each summary we indicate the public act (PA) number and, where applicable, include the special session's designation (June 30 or September 8). To assist the reader, we provide below the frequently used informal titles of the budget-related legislation:

- PA 03-2, passed in February of the regular session, is the “budget deficit reduction act” or the “FY 2003 budget revision act;”
- PA 03-1, June 30 Special Session, is the new biennial budget act for FYs 2003-04 and 2004-05; and
- PA 03-3, June 30 Special Session, is the Department of Social Services and Public Health budget implementer act.

Not all provisions of the acts are included here. Complete summaries of all 2003 public acts passed will be available in the fall when OLR's *Public Act Summary* book is published; some are already on OLR's webpage: <http://www.cga.state.ct.us/olr/publicactsummaries.asp>.

Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, the House Clerk's Office, or the General Assembly's website: <http://www.cga.state.ct.us/default.asp>.

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MEDICAL ASSISTANCE

ConnPACE Changes

Asset Test. A new law imposes an asset test on participants in the Connecticut Pharmaceutical Assistance Contract to the Elderly and Disabled (ConnPACE) Program. It sets the “available” asset limit at \$100,000 for single participants and \$125,000 for married couples. Available assets are those that are considered available under the Connecticut Home Care Program for Elders (basically liquid assets, with exclusions for the value of a home and certain other property) (**PA 03-3**, § 58, June 30 Special Session, effective October 1, 2003).

Estate Recovery. The same act also allows the state to recoup from the estates of deceased ConnPACE participants the money it paid to help them with their prescription expenses. It applies to deaths on or after September 1, 2003 and allows recoupment only of ConnPACE benefits the deceased person actually received on or after July 1, 2003 (**PA 03-3**, § 59, June 30 Special Session, effective upon passage).

Copay and Annual Fee Increase. Another new law increases copayments for all ConnPACE participants to

\$16.25 per prescription. The copayments were previously \$12 or \$15 per prescription depending on participants’ income or enrollment date. The act also increases the program’s annual fee from \$25 to \$30 and codifies its current income limits, which are \$20,300 for single people and \$27,500 for married couples, adjusted annually for inflation (**PA 03-2**, §§ 14 and 15, effective upon passage).

HUSKY A and Seniors

Low-income seniors who are guardians or relative caretakers for their grandchildren or other related children and thus qualify for HUSKY Plan A (the Medicaid portion of the HUSKY children’s health insurance program, which also covers low-income parents and other caretakers related to the children) will be subjected to the same copay and premium cost sharing requirements as other parents and children participating in HUSKY A.

Special session legislation requires the managed care plan for HUSKY A participants to (1) be substantially similar to the state employee “Non-Gatekeeper Point-of Enrollment (POE) Plan.” For FYs 2003-04 and 2004-05, the act sets a maximum \$3 copayment for HUSKY A medical services and a \$1.50 cap for prescription drugs. In addition, it requires monthly cost sharing as follows: families with incomes

between 50% and 100% of the FPL must pay \$10 per person per month, with a \$25 maximum per family; families with income between 100% and 185% of the federal poverty level must pay \$20 per person, per month, with a \$50 monthly cap. Under the act, HUSKY A participants who are not enrolled in managed care must be assessed similar co-payments and cost sharing requirements. DSS can deny coverage or discontinue HUSKY A eligibility when a recipient falls two months behind in premium payments. The act requires the DSS commissioner to amend the state's Medicaid plan and to seek any necessary waivers to carry out these provisions (**PA 03-3**, June 30 Special Session, §§ 72, effective October 1, 2003, and 73, effective upon passage).

Other Medicaid Copayments

In the regular session, the legislature required the DSS commissioner to impose a \$1 copayment on Medicaid recipients for (1) each outpatient medical service by an enrolled Medicaid provider to a non-managed care Medicaid recipient (low-income elderly and people with disabilities), as permitted under federal law and (2) each drug prescription at the time it is filled. The commissioner may modify the prescription copay requirement for certain people who receive less than a 30-day supply and may exempt institutional residents from the

copay, to the degree permitted under federal law (**PA 03-2**, § 9, effective upon passage).

A June 30 Special Session act repealed these provisions (**PA 03-3**, § 96, effective upon passage), but a subsequent September 8 Special Session act reinstates them and, as of October 1, 2003, increases the copays to \$1.50 for prescriptions and a maximum of \$3 for outpatient medical services (**PA 03-1**, September 8 Special Session, § 11, effective upon passage).

Prescription Denial for Copay Failure

A new law requires the DSS commissioner, by September 30, 2003, to submit a Medicaid state plan amendment to the federal government to allow pharmacies to refuse to fill Medicaid prescriptions for beneficiaries who continuously fail to pay copayments in spite of their ability to do so. Federal regulations otherwise prohibit Medicaid providers from denying services to Medicaid-eligible people who are unable to pay the cost sharing requirements. "Continuous failure" is failure to make required co-payments (1) within six months from when a prescription is filled or (2) on six or more prescriptions filled in any six-month period. The amendment must allow for the beneficiary to resume receiving drug benefits once he pays all of his outstanding co-payments. Prescriptions for psychotropic

drugs are not subject to this change (**PA 03-3**, § 69, June 30 Special Session, effective upon passage).

DSS Preferred Drug List and Medicaid Pharmaceutical and Therapeutics Committee

The FY 2002-03 budget revision act, passed in late February, requires DSS to adopt a preferred drug list for its medical assistance programs by July 1, 2003 in consultation with the Medicaid Pharmaceutical and Therapeutics Committee (PA 03-2, Sec. 19, effective upon passage). A subsequent act specifies that the preferred drug list is for use in the Medicaid, ConnPACE, and State-Administered General Assistance (SAGA) programs. For FY 2003-04, the act limits the list to three classes of drugs, including proton pump inhibitors and two other classes determined by the DSS commissioner. It requires the commissioner to notify the Human Services and Appropriations committees of the drug classes chosen by January 1, 2004.

The latter act also changes the composition of the Medicaid Pharmaceutical and Therapeutics Committee by specifically requiring certain types of doctors to be on it and adding members to it, bringing the total to 14. It allows the committee, on an *ad hoc* basis, to ask other state agencies or interested parties to participate in its deliberations. It

requires the DSS commissioner, or her designee, to convene the committee following the governor's appointments.

By law, one of the committee's functions is to make recommendations to DSS regarding the prior authorization of prescribed drugs. The act specifies that these recommendations must be in accordance with the prior authorization plan already developed and implemented under existing law (**PA 03-3**, § 83, June 30 Special Session, effective upon passage).

Most Cost-Efficient Prescription Dosage

An act requires a pharmacist, when filling prescriptions under Medicaid, ConnPACE, Connecticut AIDS drug assistance, or SAGA, to use the most cost-efficient dosage, consistent with the prescribing practitioner's instructions unless he receives permission to do otherwise under the state's new prior authorization plan (**PA 03-3**, § 82, June 30 Special Session, effective upon passage).

Brand Name Prior Authorization And Generic Substitution

Existing law generally requires prior authorization for pharmacists to dispense brand name drugs under Medicaid, SAGA, General Assistance (GA), or ConnPACE if a chemically

equivalent generic drug is available. PA 03-2 Sec. 52 clarified that prior authorization for the brand name applies only when the generic substitute is available at a lower cost. A later new act further clarified this rule by specifying instead that the pharmacist must dispense the brand name drug in cases where it is less costly than the generic when factoring in manufacturers' rebates (**PA 03-3**, § 84, June Special Session, effective upon passage).

Medicaid Long-Term Care Transfer Of Assets Changes

A new law makes several statutory changes related to the effects of transfers of assets on Medicaid coverage of long-term care in preparation for federal approval of Connecticut's Medicaid waiver request in this area. These changes apparently will not have a practical effect until the waiver, which the state submitted in 2002, is approved. The waiver approval would change the start date of penalties for inappropriate asset transfers by people applying for Medicaid to pay their nursing home costs from the date the transfers occurred to the date the person otherwise would become eligible for Medicaid. The waiver would also change the look-back period from three years to five years for real estate transfers and exempt small amounts of transfers from the look-back and penalties. This act:

1. specifies that any asset transfer resulting in a penalty period will be presumed to be intended to enable the transferor to obtain Medicaid coverage and allows rebuttal of this presumption only by clear and convincing contrary evidence (a "penalty period" is a period of time during which Medicaid will not cover care because assets were inappropriately transferred);
2. specifies that such transfers that result in penalty periods also create a "debt" that the transferor or transferee owes DSS in a sum equal to assistance DSS gave to or on behalf of the transferor on or after the transfer date, up to the assets' fair market value on that date, and authorizes DSS and Department of Administrative Services commissioners and the attorney general to seek administrative, legal, or equitable relief as provided in other statutes or common law;
3. allows the DSS commissioner to grant a nursing home financial relief if it establishes that it (a) is experiencing severe financial hardship because of the new asset transfer penalty period and (b) has made every effort legally permissible to recover the

- transferred funds owed to it;
4. prohibits a nursing home from requesting financial relief until the patient has been in the home for at least 90 days without payment and, if DSS agrees to grant the relief by providing Medicaid payments, requires DSS, by all means available under state and federal law, to recoup the money from the patient and the transferee;
 5. allows the commissioner to waive the penalty period if the transferor (a) suffers from dementia when he applies for Medicaid and cannot explain the transfers, (b) suffered from dementia at the time of the transfer, or (c) was exploited into making the transfer (waiving the penalty period does not prohibit establishing a debt as described above);
 6. extends the look-back period for real estate transfers from three to five years, except for transfers that are exempt under DSS regulations (this longer look-back period can only take effect if the federal government approves Connecticut's Medicaid waiver application; transfers that do not involve real property remain subject to the current look-back period

- contained in federal law, which is three years generally and five for establishment of trusts);
7. allows the commissioner to establish threshold limits for total annual transfers allowed during the look-back period without resulting in a penalty period; and
 8. allows the commissioner to implement policies and procedures needed to carry out changes while still in the process of adopting regulations (**PA 03-3**, § 62, June 30 Special Session, effective upon passage).

Diversion Of Income From Institutionalized Spouse On Medicaid

New legislation requires someone in a nursing home who is applying for Medicaid and has a spouse living in the community to divert the maximum allowable income to the community spouse to raise his or her income to the federally required minimum monthly needs allowance. The act requires this income diversion to occur before the community spouse is allowed to retain assets above the federally mandated community spouse protected asset amount (this concept is called "income first") (**PA 03-3**, § 63, June 30 Special Session, effective upon passage).

ANNUITIES AND ESTATE RECOVERY OF PUBLIC ASSISTANCE

For estate recovery purposes under various public assistance programs, including Medicaid and ConnPACE, a new law makes all annuity sums due to anyone after the death of a public assistance recipient part of the deceased's estate and consequently accessible to the state for repayment of public assistance benefits, if the annuity contract was purchased with the public assistance recipient's assets. It makes the annuity beneficiary solely liable to the state for repayment of public assistance granted to the deceased person up to the amount of the payments the annuity beneficiary received. The act applies to annuity sums due on or after July 1, 2003 (**PA 03-3**, § 59, June 30 Special Session, effective upon passage).

SAGA AND GA MEDICAL ASSISTANCE REORGANIZATION AND CASH ASSISTANCE REDUCTIONS

The following changes could affect some poor seniors who are not eligible for Medicare or Medicaid. They mostly do not affect seniors over age 65, whose health care is generally covered by the federal Medicare program, supplemented by health insurance from their employers after they retire or by private Medigap insurance, or by

Medicaid for those who meet income and asset guidelines.

The State-Administered General Assistance (SAGA) program covers mostly single people without children, who are very poor and unable to work because of short- or long-term health problems but who do not (or not yet) qualify for Medicaid. This program covers all the towns in Connecticut, except Norwich, which until now has run its own General Assistance (GA) program. Both SAGA and GA have cash assistance and medical components, and some people qualify only for medical benefits.

In the recent special session, the legislature reduced the SAGA cash assistance amounts and reorganized the SAGA medical assistance component. Starting October 1, 2003, SAGA recipients seeking medical care (which was previously fee-for-service) will be assigned to receive their primary health care and pharmacy services through "federally qualified health centers" or other providers with whom DSS contracts. They will continue to be eligible for hospital services.

The legislation also eliminates state reimbursement for the Norwich GA medical program as of October 1, 2003 and for the cash program as of March 1, 2004. Current Norwich GA recipients will be eligible to apply for the state SAGA program (**PA 03-3**, § 42-49, June 30 Special Session, effective upon passage).

The act also increases the prescription copay from \$1 to \$1.50 in SAGA and GA, but eliminates the \$1 copay for outpatient medical services which PA 03-2, § 18, had earlier required (**PA 03-3**, § 43, June 30 Special Session, effective upon passage).

NURSING HOMES

Nursing Home Fire Sprinklers Required

A new law requires all nursing homes to have automatic fire sprinkler systems approved by the state fire marshal on each floor by July 1, 2005. It requires each home's owner or authorized agent, by July 1, 2004, to (1) submit plans for installing such a system, signed and sealed by a licensed professional engineer, to the local fire marshal and building official or to the state fire marshal and (2) apply for a building permit to install the system.

The act subjects anyone failing to install the required systems to a civil penalty of up to \$1,000 for each day the violation continues and requires the attorney general, at the state fire marshal's request, to begin a civil action to recover the penalty. This applies to nursing homes as well as other buildings that must, by law, already have such sprinkler systems.

The act also requires the Connecticut Health and Educational Facilities Authority

(CHEFA) to develop a plan for planning for and financing installation of automatic fire sprinklers in nursing homes. CHEFA must do this in conjunction with the Department of Public Safety, DSS, and DPH. The plan must be submitted to the governor and the Public Safety, Human Services, and Public Health committees by February 1, 2004. (**PA 03-3**, §§ 11 & 92, June 30 Special Session, effective upon passage)

Nursing Home Inspections

A new law (1) prohibits prior disclosure of when DPH will conduct nursing home inspections and (2) requires the inspections to be conducted randomly (**PA 03-92**, effective upon passage).

Waiting Lists

A new act allows a nursing home to admit an applicant seeking to transfer from a nursing home that is closing without regard to the order of the home's waiting list, regardless of other statutory provisions (**PA 03-3**, § 74, June 30 Special Session, effective upon passage).

Nursing Home Receivers

A new law requires a court, in appointing a nursing home receiver, to choose only a responsible individual (1) whose name the DSS and DPH commissioners propose and (2) who is a Connecticut-licensed

nursing home administrator with substantial experience in operating Connecticut nursing homes. The DSS commissioner must adopt regulations governing qualifications for proposed receivers by July 1, 2004. Under prior law, the court could choose any responsible individual except a state employee, the failing nursing home's owner or administrator, or any other person with a financial interest in it. The act continues to prohibit these individuals from acting as a receiver for a nursing home. It also prohibits any receiver from having a financial interest in the home either currently or for five years after the receivership ends (**PA 03-3**, § 76, June 30 Special Session, effective upon passage).

The same new act requires a nursing home receiver, within 90 days after his appointment, to:

1. determine whether the facility can continue to operate, provide adequate care, and comply with federal and state law within the limits of state payments, income from self-pay residents, Medicare payments, and other current income;
2. report his determination to the court; and
3. seek facility purchase proposals.

If the receiver decides that the facility cannot continue to operate in substantial compliance with these requirements, he must request

an immediate court order to close it and must arrange for the residents' orderly transfer under existing laws, unless he expects the facility's transfer to a qualified purchaser within 90 days. If this transfer is not completed within 180 days after the receiver's appointment, the receiver must go ahead and ask for a court order to close the facility and arrange for the residents' transfer. The act also eliminates a requirement that nursing homes that are ordered closed by the Superior Court notify DSS and request permission for the closure, but it still requires them to notify the Office of the Long-Term Care Ombudsman (**PA 03-3**, §§ 77, 78, June 30 Special Session, effective upon passage).

Nursing Home Rate Increase

The legislature has scheduled a 1% rate increase for Medicaid payments to nursing homes on January 1, 2005 and provided some limited rate flexibility for homes that have been in receivership and are subsequently sold (**PA 03-3**, § 50, June 30 Special Session, effective upon passage).

Improving Nursing Home Pharmacy Care

A new law requires the DSS commissioner annually to update and expand the list of drugs included in the Nursing Home Drug Return Program beginning

by June 30, 2003. It requires the list to include the 50 drugs with the highest average wholesale price that meet the program's requirements. DSS must do this in consultation with the Pharmacy Review Panel, which advises DSS on the operation of its pharmacy benefit programs, including cost savings initiatives.

The act also allows the commissioner, within available appropriations, to reimburse pharmacies or pharmacists for services they provide to residents in long-term care facilities, (including nursing homes, rest homes, residential care homes, residential facilities for people with mental retardation, and facilities served by assisted living services agencies). These payments can be in addition to other reimbursements and dispensing fees already allowed under the state's medical assistance programs, if the pharmacy services improve the residents' quality of care and save the state money. The services may include emergency and delivery services for all medications, including intravenous therapy, 24 hours a day, seven days a week (**PA 03-116**, effective upon passage for the drug return program provisions and July 1, 2003 for the pharmacy service reimbursements).

Pharmacist/Physician Collaborative Practice

Pharmacists working in nursing homes will be able to establish collaborative agreements with physicians to manage patients' drug therapy under a new law. Existing law allows physicians and hospital pharmacists to enter into such agreements for hospital inpatients. The agreements must be based on written protocols and approved by the institution. They can authorize a pharmacist to implement, modify, or discontinue a drug therapy the physician prescribes. The pharmacist can also order associated lab tests and administer drugs. Under the act, the nursing home that employs the pharmacist must determine that he is competent to participate in each agreement (**PA 03-164**, effective October 1, 2003).

Nursing Home Temperatures

A new law requires DPH to adopt regulations on minimum and maximum temperatures for areas in nursing homes and rest homes. They may be based on standards set by national public or private entities after research into appropriate temperature settings to ensure residents' health and safety. DPH must make these recommendations available to nursing homes, rest homes, and the public and post

them on its website (**PA 03-272**, effective October 1, 2003).

Chronic Disease Hospital and Nursing Home Pilot

By July 1, 2004, a new law requires DSS to implement, within available Medicaid funding, a pilot project in Greater Hartford with a chronic disease hospital colocated with a skilled nursing facility that has the facilities, medical staff, and all personnel needed for diagnosis, care, and treatment of chronic or geriatric mental conditions requiring prolonged hospital or restorative care. It defines “chronic disease hospital” for this purpose as a long-term hospital with the same facilities, medical staff, and personnel as is required for the skilled nursing facility (**PA 03-3**, § 87, June 30 Special Session, effective upon passage).

Long Term Care Facilities in Hospitals

Under a new act, the Office of Health Care Access (OHCA), in consultation with DPH and DSS, can authorize up to four demonstration projects allowing chronic disease hospitals to establish and operate new long-term acute care hospitals or satellite facilities. The projects’ purpose is to study service quality, patient outcomes, and cost-effectiveness of using such hospitals or facilities. The demonstration must be designed

to serve people who need long-term hospitalization in an acute care setting, need 24-hour on-site physician availability, and are not suited for a skilled nursing facility. Interested chronic disease hospitals can apply to OHCA by January 1, 2005 for a certificate of need (**PA 03-275**, effective October 1, 2003)

HOME HEALTH SERVICES FEE SCHEDULE AND PSYCHIATRIC NURSE VISITS

PA 03-2 requires the DSS schedule of fees it pays for various home health services in its medical assistance programs to include a fee for a nurse who makes a home visit solely to administer medications. It allows such medication administration to include blood pressure checks, glucometer readings, pulse rate checks, and similar health status indicators. The fee must include administration of medications while the nurse is present, pre-pouring additional doses for the client to self-administer later, and teaching self-administration. The act explicitly prohibits DSS from paying for medication administration when other nursing services are provided at the same visit. It allows DSS to establish prior authorization requirements for this service. It requires the DSS commissioner, before implementing the fee change, to consult with the Public Health and Human Services committee chairmen.

A subsequent special session act specifies that the fee schedule for nurse medication administration visits must include rates for psychiatric nurse visits. It also requires these rates to be established after the DSS commissioner consults with the chairmen of the Appropriations Committee and submits the rates to the chairmen for their review and comment. It requires the rates to take effect by January 1, 2004 (**PA 03-6**, June 30 Special Session, §§ 197 & 198, effective upon passage)

OTHER MEDICAL ISSUES

Stroke Prevention

A new special act requires DPH to develop, by June 30, 2004, a comprehensive heart disease and stroke prevention plan. This plan must include (1) public health policy strategies effective in preventing and controlling stroke risks, based on available research, and (2) methods of increasing awareness of stroke symptoms. DPH must report on the plan to the Public Health Committee by January 1, 2005 (**SA 03-14**, effective upon passage).

Pharmacy Prescription Drug Error Reporting Program

A new law specifies that records collected or maintained under the prescription drug error reporting program do not have to

be disclosed for six months from the date the records were created. Also, these records are not subject to subpoena, discovery, or introduction into evidence in any judicial proceeding except as otherwise specifically provided by law (**PA 03-164**, effective October 1, 2003).

Medicaid Disease Management Initiative

New legislation requires the DSS commissioner to design and implement a case enhancement and disease management initiative to create an integrated and systematic approach for managing health care needs of high cost Medicaid recipients. It allows DSS to do this by contracting with an entity that has an established and demonstrated capability in disease management initiative design and implementation (**PA 03-3**, § 51, June 30 Special Session, effective upon passage).

INSURANCE

Group Health Insurance Extensions For Early Retirees

A new law requires group health insurance plans to give people who leave their jobs, take a leave of absence, or reduce their hours because they become eligible to receive Social Security benefits an option to continue coverage under the group plan. This coverage must continue for

the employee and his dependents until midnight of the day preceding his eligibility for Medicare. Prior law required only an 18-month extension for any kind of employment termination, leave of absence, or reduction in hours. Under federal law, people can retire with a reduced Social Security benefit at age 62, but they are not eligible for Medicare until age 65, unless they are disabled. This change does not apply to employers who self-insure (**PA 03-77**, effective October 1, 2003).

Health Insurance for Personal Care Assistants

New legislation gives personal care assistants (PCAs) hired directly by elderly or disabled people under certain state programs an opportunity to buy health insurance through a plan run by the state comptroller. Specifically, it allows the comptroller to provide coverage under the Municipal Employees' Health Insurance Plan (MEHIP) for members of a PCA association. The association must be composed of PCAs employed by participants in the Connecticut Home Care Program for the Elderly, Personal Care Assistance Program (for people with physical disabilities), independent living centers (for people with mental or physical disabilities), or the Acquired Brain Injury Program.

For PCAs to participate in MEHIP, the following

requirements apply: (1) participation is voluntary, (2) the state does not pay administrative costs, and (3) no employees can be refused entry to the plan because of past or future health care costs or claim experience. The comptroller can offer the association insurance that is either fully underwritten or on a risk-pool basis (**PA 03-3**, §§ 31 & 32, June 30 Special Session, effective upon passage).

SSP BENEFIT FREEZE AND PERSONAL NEEDS ALLOWANCE

Legislation in 2002 increased the personal needs allowance for recipients of the State Supplement Program (SSP), who can be poor elderly or disabled people. The legislature set the one-time increase at one-half the percentage increase in the January 2003 annual cost-of-living increase in the federal Supplemental Security Income (SSI) program. But legislation this year eliminated that scheduled increase in the personal needs allowance (**PA 03-2**, § 56, effective upon passage).

Instead, a recent special session act continues the freeze on the adult payment standard (need standard) in SSP for the next two fiscal years. But it authorizes the DSS commissioner to increase the personal needs allowance component of the standard as necessary to meet federal maintenance of effort

requirements (**PA 03-3**, § 61, June 30 Special Session, effective upon passage).

FOOD STAMPS

Standard Utility Allowance

A new law requires the DSS commissioner, with federal approval, to mandate use of a standard utility allowance in calculating the excess shelter deduction for applicants' eligibility for the federal Food Stamp program, which the state administers and which provides supplemental food benefits for poor people, including seniors. The utility allowance is added to other shelter costs and amounts above 50% of applicants' income ("excess shelter costs") after certain other deductions are subtracted from income. Previously, state regulations gave people a choice of using their actual utility costs or a standard allowance (**PA 03-36**, effective October 1, 2003).

Program Simplification and Improved Accuracy

Another act allows the DSS commissioner, in accordance with federal law, to implement a policy to simplify the Food Stamp program's administration and increase its payment accuracy (**PA 03-3**, § 75, June 30 Special Session, effective upon passage).

ABUSE PROTECTION

Elder Abuse Crimes and Reporting

This act creates new crimes and penalties for repeated acts or omissions that injure an elderly, blind, disabled, or mentally retarded person. It directs the appropriate state's attorney or assistant state's attorney to report convictions to DPH when the abuser has an occupational license issued by DPH, and permits DPH to suspend or revoke the license or take other disciplinary action based on this information. Depending on the particular circumstances, the acts and omissions identified as criminal abuse under the act may constitute misdemeanor or felony offenses under current law.

The act makes intentionally failing to report elder abuse a crime rather than a violation, and shortens, from five days to three, the time that mandated elder abuse reporters have to notify the DSS commissioner about a suspected abuse case. It also authorizes legal remedies for anyone subjected to discrimination or retaliation for, in good faith, (1) reporting elder abuse or (2) complaining to DSS about a nursing, board-and-care, or similar adult care home.

It specifies that an elderly person's refusal of treatment for religious reasons is not of itself grounds for implementing protective services through DSS's

Elderly Protective Services Unit
(**PA 03-267**, effective October 1, 2003).

Office of Protection and Advocacy Powers

The Office of Protection and Advocacy protects and advocates for people with disabilities of all ages, including disabled seniors. To comply with eligibility requirements for federal funds, this act authorizes the Office director to ensure that all aspects of the agency's operations conform to federal protection and advocacy requirements for program independence and authority. To achieve this goal, the director may:

1. maintain structural independence from other agencies that provide services to people with disabilities;
2. pursue legal and administrative remedies on behalf of people with disabilities;
3. investigate allegations of abuse and neglect of people with disabilities who are receiving care, treatment, or services;
4. have access (a) to people who are living in facilities or are clients of service systems and (b) with appropriate consent, to their care, treatment, or services records;
5. educate policy makers, consumers, and the public about issues affecting people with disabilities;
6. reach out to members of traditionally underserved populations; and
7. develop an annual statement of priorities and objectives and solicit public comment and input on this process (**PA 03-88**, effective October 1, 2003).

TAXES

Inheritance Taxes

Temporary Contingent Estate Tax. The special session budget act imposes a contingent tax, payable in lieu of the regular estate tax, on estates valued at over \$1 million of people who die between July 1, 2004 and January 1, 2005. For these estates, the Connecticut estate tax will be 1.3 times the full maximum federal estate tax credit, excluding the 75% federal credit reduction applicable in 2004. The act requires estates subject to the tax to file returns and pay within six months after the death date instead of within nine months after, as under the regular estate tax.

Under the act, if, by July 1, 2004, the Office of Policy and Management secretary certifies that the state will receive \$110 million or more in extra federal assistance for FY 2004-5, the contingent estate tax will not take effect (**PA 03-1**, §§ 59, 502, June 30 Special Session, effective upon passage).

Succession Tax Phase-Out Delay. The special session budget act delays each remaining step of the phase-out of the succession tax by two years. This tax was previously scheduled for elimination as of January 1, 2004 for estates that pass either to collateral descendants, such as brothers, sisters, nephews, and nieces (Class B heirs) and as of January 1, 2006 for other, more remote, heirs (Class C heirs). The act delays elimination for Class B heirs to January 1, 2006 and for Class C heirs to January 1, 2008. Amounts that the surviving spouse or immediate family such as parents and children inherit are exempt from this tax.

The act increases the tax on estates of those who die between March 1, 2003 and December 31, 2004 that exceed certain values. It does so by applying to such estates the tax rates that were in effect in 2002, thus reversing a rate reduction that took effect January 1, 2003 (**PA 03-1**, § 94, June 30 Special Session, effective upon passage).

Gift Tax Phase-Out Delay

The special session budget act delays by two years the remaining steps of the phase-out of the tax on gifts between \$25,000 and \$1 million, thus maintaining the current gift tax rates until January 1, 2006. Under the act, the phase-out resumes on that date and runs

until January 1, 2010. The phase-out was previously scheduled to run from January 1, 2004 to January 1, 2008 (**PA 03-1**, § 99, June 30 Special Session, effective upon passage and applicable starting on or after January 2003).

\$1,000 Disabled Property Tax Exemption Suspended

For the October 1, 2002 and 2003 assessment years, a new act suspends (1) a mandatory local property tax exemption for up to \$1,000 worth of property owned by a permanently and totally disabled state resident and (2) state reimbursements to towns for lost revenues attributable to the exemption. The act restores the exemption and the state reimbursement for the October 1, 2004 and subsequent assessment years. To receive the exemption, a property owner must be eligible for Social Security or other comparable federal, state, or local government disability benefits (**PA 03-6**, June 30 Special Session, §§ 40 & 41, effective upon passage and applicable to assessment years beginning on or after October 1, 2002).

Social Security and Railroad Retirement Benefits

This act eliminates overlapping deductions for Social Security and Tier I Railroad Retirement benefits under the state income tax. When

calculating Connecticut adjusted gross income (AGI) for state income tax purposes, the law allows a taxpayer to subtract certain types of income included in his federal AGI. Among the allowable deductions are (1) Tier I Railroad Retirement benefits and (2) for single filers with federal AGIs under \$50,000 and joint filers with federal AGIs under \$60,000, Social Security benefits. This act limits the deduction for Railroad Retirement benefits to the amount not subtracted under the Social Security deduction (**PA 03-225**, § 13, effective upon passage and applicable to tax years starting on or after January 1, 2003).

RETIRED TEACHERS

A new law, among other changes related to the Teachers' Retirement Board (TRB), changes the current post retirement earnings limit for re-employed retired teachers and eliminates it for up to two years for those teaching in designated subject shortage areas. Starting July 1, 2005, the act also increases retirees' premium copayment for coverage under the state health insurance plan for retired teachers from 25% to one-third of the basic plan premium. As under prior law, retired teachers choosing optional state plans must also pay the difference in the premium between the basic and optional plans (**PA 03-232**, effective July 1, 2003, but July 1, 2005 for the premium increase).

KINSHIP FOSTER CARE

This act requires the Department of Children and Families (DCF) to tell a relative how to become licensed as a foster parent when it determines that it is in the child's best interests to place him in foster care with a relative. The act requires DCF to do so by establishing a kinship foster care program within available appropriations (**PA 03-42**, effective October 1, 2003).

HN/RC:tjo/ts