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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)