



# Senate

General Assembly

**File No. 643**

February Session, 2022

Senate Bill No. 195

*Senate, April 26, 2022*

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT INCREASING THE MINIMUM AMOUNT OF ASSETS THAT MAY BE RETAINED BY THE SPOUSE OF AN INSTITUTIONALIZED MEDICAID RECIPIENT.***

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

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this  
2 section:

3 (1) "Institutionalized spouse" has the same meaning as provided in 42  
4 USC 1396r-5(h)(1);

5 (2) "Community spouse" has the same meaning as provided in 42  
6 USC 1396r-5(h)(2); and

7 (3) "Minimum community spouse resource allowance" means the  
8 minimum amount of assets a community spouse of an institutionalized  
9 spouse may keep pursuant to 42 USC 1396r-5(f)(2).

10 (b) The Commissioner of Social Services shall amend the Medicaid  
11 state plan in accordance with federal law to set the minimum



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 23 \$	FY 24 \$
Social Services, Dept.	GF - Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill results in a cost to the Department of Social Services (DSS) associated with increasing the minimum amount of assets a community spouse of an institutionalized Medicaid eligible individual can retain from \$27,480 to \$50,000.

Currently, a community spouse has access to half of the couple's liquid assets as determined by DSS, with a minimum of \$27,480. For example, if a couple's total counted assets equal \$50,000, the community spouse could keep \$50,000 under the bill instead of \$27,480 under current state law. The portion of a couple's assets used to cover the cost of their care prior to becoming Medicaid eligible is not known. However, by reducing the amount available to the institutional spouse, it is likely that they would achieve Medicaid eligibility sooner.

For context, if half of the estimated married, long-term care enrollees experienced two months of accelerated eligibility, it would result in a state cost of approximately \$4.3 million. The actual costs will depend on the disposition of couples' assets prior to Medicaid eligibility and the number of couples impacted.

**The Out Years**

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

**OLR Bill Analysis****SB 195*****AN ACT INCREASING THE MINIMUM AMOUNT OF ASSETS THAT MAY BE RETAINED BY THE SPOUSE OF AN INSTITUTIONALIZED MEDICAID RECIPIENT.*****SUMMARY**

This bill requires the Department of Social Services (DSS) to increase the amount of allowable assets kept by the spouse of someone in a medical institution or nursing facility (e.g., a nursing home) who remains in the community. Under current state law, the spouse may keep the greater of (1) the federal minimum (\$27,480 in 2022) or (2) half the couple's combined assets, up to the federal maximum (\$137,400 in 2022). The bill raises the state minimum community spouse protected amount to \$50,000.

The bill also requires the DSS commissioner to report by July 1, 2023, to the Appropriations and Human Services committees on (1) how many community spouses were able to keep additional assets due to the raised minimum and (2) the cost to the state for raising the minimum.

The bill allows the DSS commissioner to adopt regulations to implement the bill's provisions.

EFFECTIVE DATE: Upon passage

**BACKGROUND*****Community Spouse Protected Amount***

Federal Medicaid law allows the spouse of someone living in a nursing home to keep some of the couple's assets to ensure the spouse living in the community does not become impoverished. The amount retained by the non-institutionalized spouse is referred to as the community spouse protected amount. States establish community

spouse protected amounts within federal minimum and maximum limits.

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable Change of Reference - APP  
Yea 20 Nay 0 (03/08/2022)

Appropriations Committee

Joint Favorable  
Yea 50 Nay 0 (04/07/2022)