

OFFICE OF FISCAL ANALYSIS

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sSB-283

AN ACT ELIMINATING INCOME AND ASSET LIMITS FOR THE MED-CONNECT PROGRAM FOR PERSONS WITH DISABILITIES AND INCREASING INCOME AND ASSET LIMITS FOR HUSKY C.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Social Services, Dept.	GF - Cost	Significant	Significant

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a significant cost to the Department of Social services (DSS) due to expanding Medicaid eligibility under HUSKY C and the Medicaid for Employees with Disabilities (MED-Connect) program.

The bill eliminates the annual income limit (\$75,000) and asset limit (\$10,000 for individuals and \$15,000 for married couples) for purposes of eligibility for MED-Connect. The number of individuals who would become eligible under the bill is unknown. For context, there are approximately 3,600 individuals currently enrolled in the program, 900 of which make more than 200% of the federal poverty level (FPL). The average Medicaid cost per person is approximately \$6,900 annually.

The bill also results in a significant cost to DSS associated with increasing HUSKY C asset limits (from \$1,600 to \$5,000 for an individual and \$2,400 to \$7,500 for a married couple) and income limits. Current income limits are based on regional Temporary Family Assistance

benefit standards and are generally around 60% FPL, compared to the 138% FPL proposed under the bill. If an average distribution of enrollees across income brackets is assumed, the HUSKY C population would double, resulting in increased state costs of approximately \$1.1 billion.

The actual cost will depend on the number of individuals who meet the new income and asset requirements under the bill.

The Out Years

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