

Aging Committee JOINT FAVORABLE REPORT

Bill No.: SB-264

AN ACT CONCERNING A QUALIFIED DEDUCTION FROM MEDICAID

Title: APPLIED INCOME FOR CONSERVATOR COSTS.

Vote Date: 3/11/2022

Vote Action: Joint Favorable Substitute

PH Date: 3/8/2022

File No.:

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SPONSORS OF BILL:

Aging Committee

REASONS FOR BILL:

The bill authorizes a qualified deduction from the income a Medicaid applicant or recipient must apply to the cost of care. The payment made by a Medicaid applicant or recipient to a conservator should not be treated as improper transfer of assets.

JFS language eliminates wording that indicates an applicant or recipient provides documentation of a fiduciary fee payment and of services rendered by a conservator in accordance with Probate Court Regulations. The language also reduces the compensation of a conservator from \$125 a month to a minimum of \$90 a month.

RESPONSE FROM ADMINISTRATION/AGENCY:

Dept of Social Services: They offered their testimony in opposition to this proposal. They believe that because portions of this bill are inconsistent with state and federal law and would have a negative fiscal impact on the state budget, they cannot support it. Their testimony offers a detailed explanation of the conclusions that they have reached in their analysis of the bill.

Hon. Beverly Streit-Kefaias, Probate Court Administrator: She submitted testimony in support of the proposal with a suggestion that the base line conservator compensation set forth in Section 2 receive a monthly compensation of \$90 a month. She says that the bill will enable the state to begin receiving federal Medicaid reimbursements for dollars expended in providing conservators for indigent conserved persons and she believes the federal money will save the state an estimated \$800,000 a year. She points out that several states have

secured the necessary federal approval to implement this structure which includes neighbors in Mass, RI and Vermont. Also, Section 1C of the bill is to allocate the savings from this legislation to the state's General Fund. The General Fund receives 100% reimbursement for its Medicaid spending – 50% from the Probate Courts and 50% federal Medicaid reimbursement.

NATURE AND SOURCES OF SUPPORT:

Ms. Jean Mills Aranha, Attorney, Connecticut Legal Services, Stamford: They are offering conditional support for this bill. They don't object to the concept of the bill but feel it is important that deductions for conservator costs and probate court fees and expenses be deducted only after the other currently permissible deductions essential to the well-being of the individual are paid out first. Deductible expenses are a personal needs allowance, a family allowance for residents with a minor child, a diversion of income to a spouse for married residents, unpaid medical expenses, and an allowance to maintain a residence if the resident is expected to return home. To address their concerns, they suggested wording at the end of Section 1 (a) "Any such qualified deduction for conservator expenses and probate court fees and expenses should only be made to applied income after all other deductions provided in the state Medicaid plan in effect on January 1, 2022 have already been made."

Mr. Marc Gallucci, Chief Advocate, Center for Disability Rights: They are in support of this proposal. It has been long standing practice that probate costs and conservators' fees can be deducted out of the monthly applied income for the months that the costs are incurred. The typical nursing facility resident and their families are erroneously told that it is not allowed by the business' offices of the nursing facilities. They feel there is a need to codify this and make it clear that these fees are deductible.

Mr. Steven Rubin, President, CT Chapter of the National Academy of Elder Law Attorneys: They are in support of this legislation but don't believe that it goes far enough. The bill fixes that situation by ensuring that the income of an individual who is receiving benefits can be used to pay the conservator who acts on their behalf. In situations where there is a spenddown and projected conservator fees, an amount equal to the projected fee should be held in escrow and not counted as an asset for purposes of their Medicaid application.

NATURE AND SOURCES OF OPPOSITION:

David Godbout, Constituent: He expressed opposition to all bills put forward by the Committee under the claim of nullification

Reported by:

Date: 3/15/22

**Cameron Clarke, Committee Clerk
Richard Ferrari, Asst. Clerk**