



Senate

General Assembly

File No. 4

January Session, 2023

Substitute Senate Bill No. 82

Senate, February 28, 2023

The Committee on Human Services reported through SEN. LESSER of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ELIMINATING INCOME AND ASSET LIMITS FOR THE MED-CONNECT HEALTH INSURANCE PROGRAM FOR WORKING PERSONS WITH DISABILITIES.

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

1 Section 1. Section 17b-597 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 (a) The Department of Social Services shall establish and implement
4 a working persons with disabilities program to provide medical
5 assistance as authorized under 42 USC 1396a(a)(10)(A)(ii), as amended
6 from time to time, to persons who are disabled and regularly employed.

7 (b) The Commissioner of Social Services shall amend the Medicaid
8 state plan to allow persons specified in subsection (a) of this section to
9 qualify for medical assistance. The amendment shall [include the
10 following requirements: (1) That the person be engaged in a substantial
11 and reasonable work effort as determined by the commissioner and as
12 permitted by federal law and have an annual adjusted gross income, as

13 defined in Section 62 of the Internal Revenue Code of 1986, or any
14 subsequent corresponding internal revenue code of the United States,
15 as amended from time to time, of no more than seventy-five thousand
16 dollars per year; (2) a disregard of all countable income up to two
17 hundred per cent of the federal poverty level; (3) for an unmarried
18 person, an asset limit of ten thousand dollars, and for a married couple,
19 an asset limit of fifteen thousand dollars; (4) a disregard of any
20 retirement and medical savings accounts established pursuant to 26
21 USC 220 and held by either the person or the person's spouse; (5) a
22 disregard of any moneys in accounts designated by the person or the
23 person's spouse for the purpose of purchasing goods or services that
24 will increase the employability of such person, subject to approval by
25 the commissioner; (6) a disregard of spousal income solely for purposes
26 of determination of eligibility; and (7)] require (1) that the person be
27 engaged in a substantial and reasonable work effort, as determined by
28 the commissioner and as permitted by federal law; and (2) a
29 contribution of any countable income of the person or the person's
30 spouse which exceeds two hundred per cent of the federal poverty level,
31 as adjusted for the appropriate family size, equal to ten per cent of the
32 excess minus any premiums paid from income for health insurance by
33 any family member, but which does not exceed the maximum
34 contribution allowable under Section 201(a)(3) of Public Law 106-170, as
35 amended from time to time.

36 (c) The Commissioner of Social Services shall implement the policies
37 and procedures necessary to carry out the provisions of this section
38 while in the process of adopting such policies and procedures in
39 regulation form, provided notice of intent to adopt the regulations is
40 [published in the Connecticut Law Journal within twenty days after
41 implementation] posted on the eRegulations System in accordance with
42 section 17b-10. The commissioner shall define "countable income" for
43 purposes of subsection (b) of this section which shall take into account
44 impairment-related work expenses as defined in the Social Security Act.
45 Such policies and procedures shall be valid until the time final
46 regulations are effective.

47 Sec. 2. Section 17b-598 of the general statutes is repealed and the
48 following is substituted in lieu thereof (*Effective July 1, 2023*):

49 The Commissioner of Social Services shall seek a waiver from federal
50 law to permit a person participating in the program established under
51 section 17b-597, as amended by this act, to remain eligible for medical
52 assistance under the Medicaid program in the event such person is
53 unable to maintain a work effort for involuntary reasons. No such
54 person shall be required to make another application to determine
55 continued eligibility for medical assistance under the Medicaid
56 program. In order to remain eligible for such medical assistance, such
57 person shall (1) request that such assistance be continued for a period
58 not to exceed twelve months from the date of the involuntary loss of
59 employment, and (2) maintain a connection to the workforce as
60 determined by the commissioner during such period. At the end of the
61 twelve-month period, such person shall meet the eligibility criteria for
62 the Medicaid program, except that the commissioner shall disregard
63 [any assets specified in subdivisions (4) and (5) of subsection (b) of
64 section 17b-597] (A) any retirement and medical savings accounts
65 established pursuant to 26 USC 220 and held by either the person or the
66 person's spouse, and (B) any moneys in accounts designated by the
67 person or the person's spouse for the purpose of purchasing goods or
68 services that will increase the employability of such person, subject to
69 approval by the commissioner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	17b-597
Sec. 2	<i>July 1, 2023</i>	17b-598

HS *Joint Favorable Subst.*

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 24 \$	FY 25 \$
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 eliminating 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 eligible under the bill's expansion is unknown. The cost is driven by (1) the number of individuals able to remain on the program who otherwise would exceed the income or asset limit over time, (2) the number of newly-eligible individuals whose income or assets are above the current threshold, and (3) the income level of those above 200% of the federal poverty level (FPL, \$29,160 annually for a household of one) who would pay a premium to partially off-set their costs.

For context, there are approximately 3,700 individuals enrolled in the program, 950 of which make more than 200% FPL and have a premium obligation. The average state Medicaid cost per person is approximately \$3,800 annually.

The Out Years

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

OLR Bill Analysis**sSB 82*****AN ACT ELIMINATING INCOME AND ASSET LIMITS FOR THE MED-CONNECT HEALTH INSURANCE PROGRAM FOR WORKING PERSONS WITH DISABILITIES.*****SUMMARY**

This bill expands eligibility for Medicaid for Employees with Disabilities (MED-Connect, see BACKGROUND) by eliminating the program's income and asset limits.

Specifically, the bill eliminates the MED-Connect program's current annual income limit of \$75,000 and its asset limit of \$10,000 for individuals and \$15,000 for married couples. By law, unchanged by the bill, enrollees must (1) be engaged in a substantial and reasonable work effort, as determined by the Department of Social Services (DSS) and as permitted by federal law, and (2) pay a premium based on their countable income over 200% of the federal poverty level (FPL).

Additionally, the bill codifies current practice by requiring DSS to post required notices of its intent to adopt regulations on the eRegulations system, rather than in the Connecticut Law Journal. It also makes several technical and conforming changes.

EFFECTIVE DATE: July 1, 2023

BACKGROUND***Medicaid for Employees With Disabilities***

MED-Connect provides full Medicaid coverage to employed individuals who have a medically certified disability or blindness and are working for taxable wages. Self-employed individuals must pay self-employment taxes to the Internal Revenue Service to qualify.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 15 Nay 6 (02/14/2023)