
OLR Bill Analysis

sSB 344

AN ACT CONCERNING CERTAIN FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN 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 also cover U.S. Department of Veterans Affairs (VA)-administered pensions and housebound allowances (see BACKGROUND).

Under the bill, the income disregards apply to the following programs:

1. Medicaid (§§ 1, 5 & 6);
2. Medicare Savings Program (§§ 1 & 4);
3. Connecticut Energy Assistance Program (§ 1);
4. State Administered General Assistance (§ 3);
5. State Supplement Program (§ 2);
6. Temporary Family Assistance (§ 2);
7. Connecticut Home Care Program for Elders (§ 7); and
8. State Appropriated Fuel Assistance Program (currently inactive) (§ 8).

Under existing law, because a veteran's or surviving spouse's pension payments for disabilities (including aid and attendance and housebound allowance payments) are not subject to federal or state income tax, they are disregarded when determining eligibility for Medicaid coverage groups that must use federal modified adjusted gross income (MAGI) rules to calculate income limits (i.e., HUSKY A and D). For coverage groups that do not use MAGI rules (HUSKY C and the Medicare Savings Program), and other assistance programs listed above, current law only requires DSS to disregard aid and attendance benefits.

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, 2024, and applicable to applications filed on or after that date, except a technical change is effective October 1, 2024.

BACKGROUND

U.S. VA-Administered Pensions

The U.S. VA-administered pension program provides monthly payments to wartime veterans who meet certain age or disability requirements, and whose net worth and income are within certain limits. Qualifying disabilities do not need to be service-related.

Aid and Attendance and Housebound Allowance

Individuals receiving a VA-administered pension may also receive aid and attendance benefits or housebound allowances, which both provide additional monthly payments. Aid and attendance is for qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity. Housebound benefits are for individuals who spend most of their time in their homes due to a permanent disability.

Related Bill

HB 5402, favorably reported by the Veterans' and Military Affairs Committee, similarly disregards veterans' income but does so for additional income sources and for additional benefit programs administered by the state or municipalities.

sHB 5001, favorably reported by the Aging Committee, requires DSS to establish a presumptive eligibility system for the Connecticut Home Care Program for Elders.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/14/2024)