



House of Representatives

General Assembly

File No. 279

February Session, 2024

House Bill No. 5364

House of Representatives, April 4, 2024

The Committee on Human Services reported through REP. GILCHREST of the 18th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT PRESERVING ASSETS OF STATE HUMANE INSTITUTION RESIDENTS.

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

1 Section 1. Section 4a-12 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2024*):

3 (a) The Commissioner of Administrative Services shall be responsible
4 for the following: (1) Investigation, determination, billing and collection
5 of all charges for support of persons aided, cared for or treated in a state
6 humane institution, as defined in section 17b-222, and enforcement of
7 support obligations of the liable relatives of such persons; (2)
8 investigation, determination, billing and collection of all charges for
9 services covered under the Medicaid or Medicare programs provided to
10 persons aided, cared for or treated by the Department of Veterans
11 Affairs; (3) billing and collection of any money due to the state in public
12 assistance cases, and enforcement of support obligations of liable
13 relatives in such cases; (4) collection of benefits and maintenance of
14 trustee accounts therefor; and (5) such collection services for other state

15 agencies and departments as shall be agreed to between said
16 commissioner and the heads of such other agencies and departments.

17 (b) Any debt referred to the Department of Administrative Services
18 by a state agency may be referred by the commissioner to a consumer
19 collection agency, licensed under section 36a-801, or, with the approval
20 of the Attorney General, to an attorney admitted under the provisions
21 of section 51-80 who practices in the area of debt collection, for
22 collection, provided the debtor has been given at least thirty days' notice
23 that the debt will be so referred.

24 (c) For purposes of this section, "liable relative" means the husband
25 or wife of any person receiving public assistance or aided, cared for or
26 treated in a state humane institution, as defined in said section 17b-222,
27 and the father and mother of any such person under the age of eighteen
28 years, but shall not include the parent or parents whose financial
29 liability for a child is determined by the Office of Child Support Services
30 under subsection (b) of section 17b-179. The Commissioner of
31 Administrative Services, in consultation with the Secretary of the Office
32 of Policy and Management, shall adopt regulations in accordance with
33 the provisions of chapter 54 establishing: (1) A uniform contribution
34 scale for liable relatives based upon ability to pay and the administrative
35 feasibility of collecting such contributions, provided no such liable
36 relative shall contribute an amount in excess of twelve per cent of the
37 remainder, if any, after the state median income, adjusted for family
38 size, has been deducted from such liable relative's taxable income for
39 federal income tax purposes, or if such federal income tax information
40 is unavailable, from such relative's taxable income, as calculated from
41 other sources, including, but not limited to, information pertaining to
42 wages, salaries and commissions as provided by such relative's
43 employer; (2) the manner in which the Department of Administrative
44 Services shall determine and periodically reinvestigate the ability of
45 such liable relatives to pay; and (3) the manner in which the department
46 shall waive such contributions upon determination that such
47 contribution would pose a significant financial hardship upon such
48 liable relatives.

49 (d) Notwithstanding the provisions of [subsection (c) of] this section,
50 no liability shall be imposed upon a liable relative upon determination
51 by the Department of Developmental Services, Social Services, Children
52 and Families, Mental Health and Addiction Services or Public Health
53 that the benefit of the assistance or service provided would be
54 significantly impaired by the imposition of such liability. Each such
55 department may waive all or part of any liability resulting from its delay
56 in establishing such liability if it determines that imposition of such
57 liability would pose a significant financial hardship upon a liable
58 relative.

59 (e) Notwithstanding the provisions of this section, on and after July
60 1, 2024, the Commissioner of Administrative Services shall not recover
61 charges from the estate of a deceased person for the aid, care or
62 treatment of such person in a state humane institution unless (1)
63 recovery of such charges is required under federal law, or (2) the person
64 was liable pursuant to subsection (d) of section 17b-223 for the
65 difference between the amounts actually billed and paid and the
66 amount that would have been billed against such person except for
67 fraud or concealment. The commissioner shall release any liens filed for
68 recovery of such charges except for any lien filed pursuant to
69 subdivision (1) or (2) of this subsection. Nothing in this subsection shall
70 be construed to authorize the commissioner to return to any person or
71 estate payments properly recovered by the commissioner pursuant to
72 this section for charges related to the aid, care or treatment of a person
73 in a humane institution before July 1, 2024.

74 Sec. 2. Section 17b-224 of the general statutes is repealed and the
75 following is substituted in lieu thereof (*Effective July 1, 2024*):

76 A patient who is receiving or has received care in a state humane
77 institution, his estate or both shall be liable to reimburse the state for any
78 unpaid portion of per capita cost in accordance with section 4a-12, as
79 amended by this act, subject to the same protection of a surviving
80 spouse or dependent child as is provided in section 17b-95.

81 Sec. 3. Section 17b-228 of the general statutes is repealed and the

82 following is substituted in lieu thereof (*Effective July 1, 2024*):

83 (a) When any person has been supported, wholly or in part, by the
84 state in a humane institution, whether such person was admitted thereto
85 as a pauper or indigent or otherwise, and any portion of the charges for
86 which such person or his liable relatives were liable under the
87 provisions of section 17b-223 remains unpaid, such person or such
88 relatives, as the case may be, or the estate of any such person or such
89 relatives, shall be liable to the state therefor, and the Commissioner of
90 Administrative Services may, in the name of the state, bring a complaint
91 therefor, against any liable person or persons, in any court having
92 jurisdiction thereof in the county in which such liable person or the
93 conservator or guardian of such patient resides, or, if several are liable,
94 in the county in which any of them resides, and any other person who
95 might, under the provisions hereof, have been made a defendant in such
96 action may be cited in as a party defendant on motion of either party
97 thereto. Said court may render judgment against the defendant, or each
98 or any of the several defendants, in favor of the state for the balance of
99 the charges remaining unpaid for which such defendants are liable, and
100 payment of such judgment may be secured by attachment and execution
101 issued thereon. The limitation of action provided in section 52-576 shall
102 apply only to any such claim against a relative as such, and any claim
103 by the state for reimbursement of the balance of the billed charges
104 remaining unpaid from the estate of any deceased person shall be
105 presented to the executor or administrator thereof within the time
106 limited for the presentation of other claims against such estate.

107 (b) Notwithstanding the provisions of subsection (a) of this section,
108 on and after July 1, 2024, the Commissioner of Administrative Services
109 shall not recover charges from the estate of a deceased person for the
110 aid, care or treatment of such person in a state humane institution except
111 in accordance with sections 4a-12, as amended by this act, and 17b-230,
112 as amended by this act.

113 Sec. 4. Section 17b-230 of the general statutes is repealed and the
114 following is substituted in lieu thereof (*Effective July 1, 2024*):

115 Upon the death of a patient or of a person who has, at any time, been
116 a patient in a state humane institution, the state shall have a claim
117 against his estate for reimbursement for institutional support according
118 to the provisions of sections 4a-12, as amended by this act, 17b-223, 17b-
119 224, as amended by this act, and 17b-229 to the extent that the amount
120 which the surviving spouse, parent or dependent children of the
121 decedent would otherwise take from such estate is not needed for their
122 support. Such claims shall have priority over all unsecured claims
123 against such estate, except (1) expenses of last sickness not to exceed
124 three hundred seventy-five dollars, (2) funeral and burial expenses in
125 accordance with section 17b-84, (3) such unpaid fees and expenses of the
126 conservator of such patient, if any, as are authorized by law, and (4)
127 administrative expenses, including probate fees and taxes, and
128 including fiduciary fees not exceeding the following commissions on the
129 value of the whole estates accounted for by such fiduciaries: On the first
130 two thousand dollars or portion thereof, five per cent; on the next eight
131 thousand dollars or portion thereof, four per cent; on the excess over ten
132 thousand dollars, three per cent. Upon petition by any fiduciary, the
133 Probate Court, after hearing thereon, may authorize compensation in
134 excess of the above schedule for extraordinary services. Notice of any
135 such petition and hearing shall be given to the Commissioner of
136 Administrative Services in Hartford at least ten days in advance of such
137 hearing. The allowable funeral and burial payment herein shall be
138 reduced by the amount of any prepaid funeral arrangement. Any
139 amount paid from the estate under this section to any person which
140 exceeds the limits provided herein shall be repaid to the estate by such
141 person, and such amount may be recovered in a civil action with interest
142 at six per cent from the date of demand.

143 Sec. 5. Subsection (e) of section 45a-273 of the general statutes is
144 repealed and the following is substituted in lieu thereof (*Effective July 1,*
145 *2024*):

146 (e) The court shall determine the persons and entities entitled to
147 payment for the claims, expenses and taxes due from the estate, or
148 reimbursement for such amounts paid on behalf of the estate, in

149 accordance with section 45a-365 except, (1) if a decedent received aid or
 150 care from the state or received care in a state humane institution, such
 151 reimbursement shall be in accordance with [section] sections 4a-12, as
 152 amended by this act, and 17b-95; and (2) if a decedent is obligated to pay
 153 the decedent's cost of incarceration, such reimbursement shall be in
 154 accordance with section 18-85c. If the claims, taxes and expenses exceed
 155 the fair value of the decedent's assets, the court shall order payment in
 156 accordance with this subsection, provided the procedures for insolvent
 157 estates under sections 45a-376 to 45a-383, inclusive, shall not be
 158 required.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024</i>	4a-12
Sec. 2	<i>July 1, 2024</i>	17b-224
Sec. 3	<i>July 1, 2024</i>	17b-228
Sec. 4	<i>July 1, 2024</i>	17b-230
Sec. 5	<i>July 1, 2024</i>	45a-273(e)

HS *Joint Favorable*

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 25 \$	FY 26 \$
Resources of the General Fund	GF - Revenue Loss	Up to 225,000	Up to 225,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which limits the capacity of the Department of Administrative Services (DAS) to recover from a deceased person's estate charges for the aid, care, or treatment the person received in a state humane institution, is estimated to result in an annual revenue loss of up to \$225,000.

The Out Years

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

Sources: Department of Administrative Services

OLR Bill Analysis**HB 5364*****AN ACT PRESERVING ASSETS OF STATE HUMANE INSTITUTION RESIDENTS.*****SUMMARY**

Beginning July 1, 2024, this bill prohibits the Department of Administrative Services (DAS) commissioner from recovering from a deceased person's estate charges for the aid, care, or treatment the person received in a state humane institution except in the following circumstances:

1. recovery of the charges is required under federal law, or
2. if the billing rate for care in the institution was set using fraudulent information, DAS may recover the difference between the amount billed and paid and the amount that would have been billed if not for fraud.

The bill requires the DAS commissioner to release any liens filed for recovery of charges prohibited under the bill. However, it does not authorize the commissioner to return to any person or estate payments recovered before July 1, 2024, for charges related to care in a state humane institution.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2024

BACKGROUND***State Humane Institutions***

A "state humane institution" is a state mental hospital, community mental health center, treatment facility for children and adolescents, or

any other facility or program administered by the departments of Children and Families, Developmental Services, or Mental Health and Addiction Services.

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 21 Nay 1 (03/19/2024)