



# Senate

General Assembly

**File No. 164**

February Session, 2024

Substitute Senate Bill No. 344

*Senate, March 28, 2024*

The Committee on Veterans' and Military Affairs reported through SEN. MARX of the 20th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING CERTAIN FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC ASSISTANCE PROGRAMS.***

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

1 Section 1. Subsection (a) of section 17b-28i of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
3 *2024, and applicable to applications filed on or after July 1, 2024*):

4 (a) To the extent permissible by federal law, the Commissioner of  
5 Social Services shall disregard all federal non-service-connected, Aid  
6 and Attendance and Housebound pension benefits administered by the  
7 United States Department of Veterans Affairs that are granted to a  
8 veteran or the surviving spouse of such veteran when determining  
9 income eligibility for the state's Medicare savings, medical assistance  
10 and energy assistance programs administered under section 17b-2. As  
11 used in this subsection, "veteran" has the same meaning as provided in  
12 section 27-103.

13 Sec. 2. Subsection (a) of section 17b-104 of the general statutes is  
14 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
15 *2024, and applicable to applications filed on or after July 1, 2024*):

16 (a) The Commissioner of Social Services shall administer the program  
17 of state supplementation to the Supplemental Security Income Program  
18 provided for by the Social Security Act and state law. The commissioner  
19 may delegate any powers and authority to any deputy, assistant,  
20 investigator or supervisor, who shall have, within the scope of the  
21 power and authority so delegated, all of the power and authority of the  
22 Commissioner of Social Services. The standard of need for the  
23 temporary family assistance program shall be fifty-five per cent of the  
24 federal poverty level. The commissioner shall make a reinvestigation, at  
25 least every twelve months, of all cases receiving aid from the state,  
26 except that such reinvestigation may be conducted every twenty-four  
27 months for recipients of assistance to the elderly or disabled with stable  
28 circumstances, and shall maintain all case records of the several  
29 programs administered by the Department of Social Services so that  
30 such records show, at all times, full information with respect to  
31 eligibility of the applicant or recipient. In the determination of need  
32 under any public assistance program, such income or earnings shall be  
33 disregarded as federal law requires, and such income or earnings may  
34 be disregarded as federal law permits. In determining eligibility, the  
35 commissioner shall disregard from income (1) all federal non-service-  
36 connected, Aid and Attendance and Housebound pension benefits  
37 administered by the United States Department of Veterans Affairs that  
38 are granted to a veteran, as defined [under] in section 27-103, or the  
39 surviving spouse of such veteran, and (2) any tax refund or advance  
40 payment with respect to a refundable credit to the same extent such  
41 refund or advance payment would be disregarded under 26 USC 6409  
42 in any federal program or state or local program financed in whole or in  
43 part with federal funds. The commissioner shall encourage and  
44 promulgate such incentive earning programs as are permitted by  
45 federal law and regulations.

46 Sec. 3. Subsection (c) of section 17b-191 of the 2024 supplement to the

47 general statutes is repealed and the following is substituted in lieu  
48 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*  
49 *July 1, 2024*):

50 (c) To be eligible for cash assistance under the program, a person shall  
51 (1) be (A) eighteen years of age or older; (B) a minor found by a court to  
52 be emancipated pursuant to section 46b-150; or (C) under eighteen years  
53 of age and the commissioner determines good cause for such person's  
54 eligibility, and (2) not have assets exceeding five hundred dollars or, if  
55 such person is married, such person and his or her spouse shall not have  
56 assets exceeding one thousand dollars. In determining eligibility, the  
57 commissioner shall [not consider as] disregard from income (A) all  
58 federal non-service-connected, Aid and Attendance and Housebound  
59 pension benefits administered by the United States Department of  
60 Veterans Affairs that are granted to a veteran, as defined in section 27-  
61 103, or the surviving spouse of such veteran; and (B) any tax refund or  
62 advance payment with respect to a refundable credit to the same extent  
63 such refund or advance payment would be disregarded under 26 USC  
64 6409 in any federal program or state or local program financed in whole  
65 or in part with federal funds. No person who is a substance abuser and  
66 refuses or fails to enter available, appropriate treatment shall be eligible  
67 for cash assistance under the program until such person enters  
68 treatment. No person whose benefits from the temporary family  
69 assistance program have terminated as a result of time-limited benefits  
70 or for failure to comply with a program requirement shall be eligible for  
71 cash assistance under the program.

72 Sec. 4. Section 17b-256f of the general statutes is repealed and the  
73 following is substituted in lieu thereof (*Effective July 1, 2024, and*  
74 *applicable to applications filed on or after July 1, 2024*):

75 (a) The Commissioner of Social Services shall increase income  
76 disregards used to determine eligibility by the Department of Social  
77 Services for the federal Qualified Medicare Beneficiary, the Specified  
78 Low-Income Medicare Beneficiary and the Qualifying Individual  
79 programs, administered in accordance with the provisions of 42 USC

80 1396d(p), by such amounts that shall result in persons with income that  
81 is (1) less than two hundred eleven per cent of the federal poverty level  
82 qualifying for the Qualified Medicare Beneficiary program, (2) at or  
83 above two hundred eleven per cent of the federal poverty level but less  
84 than two hundred thirty-one per cent of the federal poverty level  
85 qualifying for the Specified Low-Income Medicare Beneficiary program,  
86 and (3) at or above two hundred thirty-one per cent of the federal  
87 poverty level but less than two hundred forty-six per cent of the federal  
88 poverty level qualifying for the Qualifying Individual program.

89 (b) The commissioner shall not apply an asset test for eligibility under  
90 the Medicare Savings Program. The commissioner shall [not consider  
91 as] disregard from income all federal non-service-connected, Aid and  
92 Attendance and Housebound pension benefits administered by the  
93 United States Department of Veterans Affairs that are granted to a  
94 veteran, as defined in section 27-103, or the surviving spouse of such  
95 veteran. The Commissioner of Social Services, pursuant to section 17b-  
96 10, may implement policies and procedures to administer the provisions  
97 of this section while in the process of adopting such policies and  
98 procedures in regulation form, provided the commissioner prints notice  
99 of the intent to adopt the regulations on the department's Internet web  
100 site and the eRegulations System not later than twenty days after the  
101 date of implementation. Such policies and procedures shall be valid  
102 until the time final regulations are adopted.

103 Sec. 5. Subsection (a) of section 17b-261 of the 2024 supplement to the  
104 general statutes is repealed and the following is substituted in lieu  
105 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*  
106 *July 1, 2024*):

107 (a) (1) Medical assistance shall be provided for any otherwise eligible  
108 person [(1)] (A) whose income, including any available support from  
109 legally liable relatives and the income of the person's spouse or  
110 dependent child, is not more than one hundred forty-three per cent,  
111 pending approval of a federal waiver applied for pursuant to subsection  
112 (e) of this section, of the benefit amount paid to a person with no income

113 under the temporary family assistance program, and [(2)] (B) if such  
114 person is an institutionalized individual as defined in Section 1917 of  
115 the Social Security Act, 42 USC 1396p(h)(3), and has not made an  
116 assignment or transfer or other disposition of property for less than fair  
117 market value for the purpose of establishing eligibility for benefits or  
118 assistance under this section. Any such disposition shall be treated in  
119 accordance with Section 1917(c) of the Social Security Act, 42 USC  
120 1396p(c). Any disposition of property made on behalf of an applicant or  
121 recipient or the spouse of an applicant or recipient by a guardian,  
122 conservator, person authorized to make such disposition pursuant to a  
123 power of attorney or other person so authorized by law shall be  
124 attributed to such applicant, recipient or spouse. A disposition of  
125 property ordered by a court shall be evaluated in accordance with the  
126 standards applied to any other such disposition for the purpose of  
127 determining eligibility.

128 (2) The commissioner shall establish the standards for eligibility for  
129 medical assistance at one hundred forty-three per cent of the benefit  
130 amount paid to a household of equal size with no income under the  
131 temporary family assistance program. In determining eligibility, the  
132 commissioner shall [not consider as] disregard from income all federal  
133 non-service-connected, Aid and Attendance and Housebound pension  
134 benefits administered by the United States Department of Veterans  
135 Affairs that are granted to a veteran, as defined in section 27-103, or the  
136 surviving spouse of such veteran. Except as provided in section 17b-277  
137 and section 17b-292, the medical assistance program shall provide  
138 coverage to persons under the age of nineteen with household income  
139 up to one hundred ninety-six per cent of the federal poverty level  
140 without an asset limit and to persons under the age of nineteen, who  
141 qualify for coverage under Section 1931 of the Social Security Act, with  
142 household income not exceeding one hundred ninety-six per cent of the  
143 federal poverty level without an asset limit, and their parents and needy  
144 caretaker relatives, who qualify for coverage under Section 1931 of the  
145 Social Security Act, with household income not exceeding one hundred  
146 fifty-five per cent of the federal poverty level without an asset limit.  
147 Such levels shall be based on the regional differences in such benefit

148 amount, if applicable, unless such levels based on regional differences  
149 are not in conformance with federal law. Any income in excess of the  
150 applicable amounts shall be applied as may be required by said federal  
151 law, and assistance shall be granted for the balance of the cost of  
152 authorized medical assistance.

153 (3) The Commissioner of Social Services shall provide applicants for  
154 assistance under this section, at the time of application, with a written  
155 statement advising them of (A) the effect of an assignment or transfer or  
156 other disposition of property on eligibility for benefits or assistance, (B)  
157 the effect that having income that exceeds the limits prescribed in this  
158 subsection will have with respect to program eligibility, and (C) the  
159 availability of, and eligibility for, services provided by the Connecticut  
160 Home Visiting System, established pursuant to section 17b-751b. For  
161 coverage dates on or after January 1, 2014, the department shall use the  
162 modified adjusted gross income financial eligibility rules set forth in  
163 Section 1902(e)(14) of the Social Security Act and the implementing  
164 regulations to determine eligibility for HUSKY A, HUSKY B and  
165 HUSKY D applicants, as defined in section 17b-290. Persons who are  
166 determined ineligible for assistance pursuant to this section shall be  
167 provided a written statement notifying such persons of their ineligibility  
168 and advising such persons of their potential eligibility for one of the  
169 other insurance affordability programs as defined in 42 CFR 435.4.

170 Sec. 6. Subsection (a) of section 17b-261 of the 2024 supplement to the  
171 general statutes, as amended by section 302 of public act 23-204, is  
172 repealed and the following is substituted in lieu thereof (*Effective October*  
173 *1, 2024, and applicable to applications filed on or after July 1, 2024*):

174 (a) (1) Medical assistance shall be provided for any otherwise eligible  
175 person [(1)] (A) whose income, including any available support from  
176 legally liable relatives and the income of the person's spouse or  
177 dependent child, is not more than one hundred five per cent of the  
178 federal poverty level, after any authorized income disregards, and [(2)]  
179 (B) if such person is an institutionalized individual as defined in Section  
180 1917 of the Social Security Act, 42 USC 1396p(h)(3), and has not made

181 an assignment or transfer or other disposition of property for less than  
182 fair market value for the purpose of establishing eligibility for benefits  
183 or assistance under this section. Any such disposition shall be treated in  
184 accordance with Section 1917(c) of the Social Security Act, 42 USC  
185 1396p(c). Any disposition of property made on behalf of an applicant or  
186 recipient or the spouse of an applicant or recipient by a guardian,  
187 conservator, person authorized to make such disposition pursuant to a  
188 power of attorney or other person so authorized by law shall be  
189 attributed to such applicant, recipient or spouse. A disposition of  
190 property ordered by a court shall be evaluated in accordance with the  
191 standards applied to any other such disposition for the purpose of  
192 determining eligibility.

193 (2) The commissioner shall establish the standards for eligibility for  
194 medical assistance at one hundred five per cent of the federal poverty  
195 level, after any authorized income disregards. In determining eligibility,  
196 the commissioner shall [not consider as] disregard from income all  
197 federal non-service-connected, Aid and Attendance and Housebound  
198 pension benefits administered by the United States Department of  
199 Veterans Affairs that are granted to a veteran, as defined in section 27-  
200 103, or the surviving spouse of such veteran. Except as provided in  
201 section 17b-277 and section 17b-292, the medical assistance program  
202 shall provide coverage to persons under the age of nineteen with  
203 household income up to one hundred ninety-six per cent of the federal  
204 poverty level without an asset limit and to persons under the age of  
205 nineteen, who qualify for coverage under Section 1931 of the Social  
206 Security Act, with household income not exceeding one hundred  
207 ninety-six per cent of the federal poverty level without an asset limit,  
208 and their parents and needy caretaker relatives, who qualify for  
209 coverage under Section 1931 of the Social Security Act, with household  
210 income not exceeding one hundred fifty-five per cent of the federal  
211 poverty level without an asset limit. Such levels shall be based on the  
212 regional differences in such benefit amount, if applicable, unless such  
213 levels based on regional differences are not in conformance with federal  
214 law. Any income in excess of the applicable amounts shall be applied as  
215 may be required by said federal law, and assistance shall be granted for

216 the balance of the cost of authorized medical assistance.

217 (3) The Commissioner of Social Services shall provide applicants for  
218 assistance under this section, at the time of application, with a written  
219 statement advising them of (A) the effect of an assignment or transfer or  
220 other disposition of property on eligibility for benefits or assistance, (B)  
221 the effect that having income that exceeds the limits prescribed in this  
222 subsection will have with respect to program eligibility, and (C) the  
223 availability of, and eligibility for, services provided by the Connecticut  
224 Home Visiting System, established pursuant to section 17b-751b. For  
225 coverage dates on or after January 1, 2014, the department shall use the  
226 modified adjusted gross income financial eligibility rules set forth in  
227 Section 1902(e)(14) of the Social Security Act and the implementing  
228 regulations to determine eligibility for HUSKY A, HUSKY B and  
229 HUSKY D applicants, as defined in section 17b-290. Persons who are  
230 determined ineligible for assistance pursuant to this section shall be  
231 provided a written statement notifying such persons of their ineligibility  
232 and advising such persons of their potential eligibility for one of the  
233 other insurance affordability programs as defined in 42 CFR 435.4.

234 Sec. 7. Subsection (l) of section 17b-342 of the general statutes is  
235 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
236 *2024, and applicable to applications filed on or after July 1, 2024*):

237 (l) In determining eligibility for the program described in this section,  
238 the commissioner shall [not consider as] disregard from income (1) all  
239 federal non-service-connected, Aid and Attendance and Housebound  
240 pension benefits administered by the United States Department of  
241 Veterans Affairs that are granted to a veteran, as defined in section 27-  
242 103, or the surviving spouse of such veteran, and (2) any tax refund or  
243 advance payment with respect to a refundable credit to the same extent  
244 such refund or advance payment would be disregarded under 26 USC  
245 6409 in any federal program or state or local program financed in whole  
246 or in part with federal funds.

247 Sec. 8. Subsection (a) of section 17b-801 of the general statutes is  
248 repealed and the following is substituted in lieu thereof (*Effective July 1,*



249 2024, and applicable to applications filed on or after July 1, 2024):

250 (a) The Commissioner of Social Services shall administer a state-  
 251 appropriated fuel assistance program to provide, within available  
 252 appropriations, fuel assistance to elderly and disabled persons whose  
 253 household gross income is above the income eligibility guidelines for  
 254 the Connecticut energy assistance program but does not exceed two  
 255 hundred per cent of federal poverty guidelines. The income eligibility  
 256 guidelines for the state-appropriated fuel assistance program shall be  
 257 determined, annually, by the Commissioner of Social Services, in  
 258 conjunction with the Secretary of the Office of Policy and Management.  
 259 In determining eligibility, the commissioner shall [not consider as]  
 260 disregard from income all federal non-service-connected, Aid and  
 261 Attendance and Housebound pension benefits administered by the  
 262 United States Department of Veterans Affairs that are granted to a  
 263 veteran, as defined under section 27-103, or the surviving spouse of such  
 264 veteran. The commissioner may adopt regulations, in accordance with  
 265 the provisions of chapter 54, to implement the provisions of this  
 266 subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-28i(a)
Sec. 2	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-104(a)
Sec. 3	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-191(c)
Sec. 4	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-256f

Sec. 5	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-261(a)
Sec. 6	<i>October 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-261(a)
Sec. 7	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-342(l)
Sec. 8	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-801(a)

**Statement of Legislative Commissioners:**

Section 4 was divided into Subsecs. for clarity; and in Sections 5 and 6, Subsec. (a) was divided into Subdivs. for clarity.

**VA**      *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 25 \$	FY 26 \$
Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill results in potential costs to the Department of Social Services (DSS) associated with disregarding certain U.S. Department of Veterans Affairs (VA)-administered pensions and housebound allowances for veterans or their surviving spouses for purposes of determining income eligibility. By reducing the income that is currently counted towards income limits, the bill potentially increases the number of individuals who could be eligible for various state assistance programs administered by DSS. Relevant programs include Medicaid, Medicare Savings Program, State Supplemental Program, State Administered General Assistance, Temporary Family Assistance (TFA), Connecticut Home Care Program for Elders, and Connecticut Energy Assistance Program.

For context, there were approximately 140,687 veterans in Connecticut on 9/30/23. The number of veterans participating in the assistance programs specified by the bill is unknown. The impact of the bill is dependent on (1) the number of veterans participating in each DSS program, (2) the benefit amount being disregarded, and (3) the income limits of the program.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of veterans, their associated benefits and the income limits of relevant DSS programs.

**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)