

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: SB-205

AN ACT ELIMINATING INCOME AND ASSET LIMITS IN THE MED-CONNECT
Title: PROGRAM FOR EMPLOYEES WITH DISABILITIES.

Vote Date: 3/19/2024

Vote Action: Joint Favorable Substitute Change of Reference to Appropriations

PH Date: 3/7/2024

File No.:

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SPONSORS OF BILL:

Human Services Committee

CO-SPONSORS OF BILL:

Sen. Martin M. Looney, 11th Dist.

REASONS FOR BILL:

Med-Connect allows individuals with disabilities to qualify for full Medicaid coverage under HUSKY C, allowing eligible individuals to work and retain assets greater than what is allowable under traditional Medicaid coverage groups. Med-Connect has an income threshold of \$75,000 and an asset limit of \$10,000 for individuals and \$15,000 for couples. This asset threshold excludes home property, certain retirement accounts, Achieving a Better Life Experience (ABLE) accounts, and accounts maintained to increase employability. Additionally, the Med-Connect program includes the "Medically Improved" group, a group of individuals who have lost disability status through the SSA but still have severe medical impairments. The purpose of this bill is to eliminate income and asset limits in the Med-Connect program. This would allow individuals with disabilities to increase their savings, allowing them to participate more in the economy, budget in case of emergency, purchase a home and save for retirement.

SUBSTITUTE LANGUAGE:

The substitute language changes the immediate elimination of income and asset limits to phase in over five years.

RESPONSE FROM ADMINISTRATION/AGENCY:

Department of Social Services (DSS), Commissioner, Andrea Barton Reeves; opposes this bill stating that the savings from administrative efficiencies would not be enough to offset the costs of increased enrollment. It is stated that the removal of income and asset limits would result in the enrollment of individuals who are not currently qualified and will encourage individuals covered by private or employer insurance to shift to Medicaid. It is stated the enrollment increase will cost the state over \$7.4 million with a \$7.4 million federal match.

Office of the Healthcare Advocate (OHA), Acting Healthcare Advocate, Sean King; supports this bill stating asset limits deprive beneficiaries of the ability to accumulate savings that can enable them to withstand periods of financial hardship. It is stated when beneficiaries of the Med-Connect program lose their income, they do not have replacements for their living expenses. It is stated individuals must then spend down assets that they may have spent years saving to maintain a modest standard of living. It is also stated that individuals should be encouraged to engage in good saving habits rather than disincentivizing them via asset thresholds. It is stated that higher assets would help beneficiaries adapt to unanticipated financial challenges.

NATURE AND SOURCES OF SUPPORT:

Connecticut General Assembly, President Pro Tempore, Senator Martin Looney; supports this bill stating that eliminating or raising the income and asset limits on the Med-Connect program could reduce the unintended discriminatory consequences of the federal social security disability (SSDI) rules. It is stated individuals may temporarily leave the workforce to start a family before they have the needed number of quarters or may be out of the workforce for longer than five years, thus disqualifying them from SSDI despite having an otherwise qualifying disability. It is expressed that the premium for buy-in is 10% of the difference between what the person makes and the maximum a person is allowed to make to qualify for Medicaid. It is also stated that due to this, raising the limit may not have a substantial fiscal impact. It is stated the \$10,000 asset limit is unrealistically low for today's economy. It is stated raising or eliminating the asset limit would increase the number of insured residents and is jointly funded with the federal government.

National Multiple Sclerosis Society, Associate Vice President of State Advocacy & Policy, Laura Hoch; supports this bill stating that individuals living with multiple sclerosis (MS) often spend \$88,487 per year. It is stated that asset limits can be a hindrance to many. It is stated due to the high cost of living with MS, an individual could be forced to spend all of their allowable assets in a single calendar year, leaving them with nothing in case of an emergency medical issue or inability to work. It is stated that increasing asset limits would allow individuals to build a safety net and improve independence.

The following individuals have submitted written testimony in support of this bill.

It is stated that eliminating income and asset limits for the Med-Connect program would mean that more workers with disabilities will have access to services and supports that are only covered by Medicaid, such as personal care attendants, vision, and hearing benefits. It is also stated that eliminating income and asset limits for the Med-Connect program will allow beneficiaries to save money for emergency expenses, buying a home, and saving for retirement. It is stated this bill would prevent beneficiaries from spending-down to pay for

basic necessities. It is stated this bill would result in positive economic growth as beneficiaries will be able to contribute to the economy.

Center for Disability Rights, Consumer Service Advocate, Richard Famiglietti

Connecticut Citizen Action Group (CCAG), Staff member, Natasha Kuranko

Connecticut Legal Rights Project, Inc., Executive Director, Kathleen Flaherty

Connecticut Resident, New Haven, Bobby Berriault

Connecticut Resident, Chrisitan Allyn

Connecticut Resident, Laura Rinaldi

Connecticut Resident, Ray Rinaldi

Disability Rights Connecticut, Litigation Attorney, Sheldon Toubman

Keep the Promise Coalition, Executive Director, Jordan Fairchild

Keep the Promise Coalition, Board Member, Karen Healy

National Alliance on Mental Illness (NAMI), Public Policy and Affiliates Relations Manager,

Thomas Burr

The Arc of Connecticut, Inc., Director of Advocacy, Carol Sully

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Jessica Elizondo

Date: April 1, 2024