

### General Assembly

Raised Bill No. 5642

February Session, 2006

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LCO No. 2588



Referred to Committee on

Introduced by: HUMAN SERVICES (HS)

#### AN ACT CONCERNING PROGRAMS ADMINISTERED BY THE DEPARTMENT OF SOCIAL SERVICES.

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

- Section 1. Section 17b-80 of the general statutes is repealed and the 1 2 following is substituted in lieu thereof (Effective July 1, 2006):
  - (a) The commissioner, upon receipt of an application for aid, shall promptly and with due diligence make an investigation, such investigation to be completed within forty-five days after receipt of the application or within sixty days after receipt of the application in the case of an application in which a determination of disability must be made. If an application for an award is not acted on within forty-five days after the filing of an application, or within sixty days in the case of an application in which a determination of disability must be made, the applicant may apply to the commissioner for a hearing in accordance with sections 17b-60 and 17b-61. The commissioner shall grant aid only if [he] the commissioner finds the applicant eligible therefor, in which case [he] the commissioner shall grant aid in such amount, determined in accordance with levels of payments established by the commissioner, as is needed in order to enable the applicant to

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> CONNECTICUT STATE LIBRARY LEGISLATIVE REFERENCE SECTION

support himself, or, in the case of temporary family assistance, to 17 enable the relative to support such dependent child or children and 18 19 himself, in health and decency, including the costs of such medical 20 care as [he] the commissioner deems necessary and reasonable, not in excess of the amounts set forth in the various fee schedules 21 22 promulgated by the [Commissioner of Social Services] commissioner 23 for medical, dental and allied services and supplies or the charges 24 made for comparable services and supplies to the general public, 25 whichever is less, and the cost of necessary hospitalization as is 26 provided in section 17b-239, as amended, over and above hospital 27 insurance or other such benefits, including workers' compensation and 28 claims for negligent or wilful injury. The commissioner, subject to the 29 provisions of subsection (b) of this section, shall in determining need, 30 take into consideration any available income and resources of the 31 individual claiming assistance. The commissioner shall make periodic 32 investigations to determine eligibility and may, at any time, modify, 33 suspend or discontinue an award previously made when such action is 34 necessary to carry out the provisions of the state supplement program, 35 medical assistance program, temporary family assistance program, state-administered general assistance program or food stamps 36 program. The parent or parents of any child for whom aid is received 37 38 under the temporary family assistance program and any beneficiary 39 receiving assistance under the state supplement program shall be 40 conclusively presumed to have accepted the provisions of sections 17b-41 93, as amended, 17b-94 and 17b-95.

(b) (1) The commissioner, in making a determination for initial or continued eligibility for any program operated or administered by the Department of Social Services, shall, to the extent permitted by federal law, exclude as income to a program applicant or program beneficiary, any sums received by such person that are attributable to payments from the Department of Children and Families pursuant to section 17a-90 or 17a-126 of the 2006 supplement to the general statutes.

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49 (2) The commissioner, in making a determination for initial or

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50	continued eligibility for any program operated or administered by the
51	department, shall exclude as income to a program applicant or
52	beneficiary who receives a relative caregiver subsidy payment
53	pursuant to section 17a-126 of the 2006 supplement to the general
54	statutes, any earned income attributable to the child for whom the
55	subsidy payment is made.

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- [(b)] (3) The commissioner shall disregard any earned income of a child who is a student in determining the eligibility, standard of need and amount of assistance of a family in the [TFA] temporary family assistance program.
- (c) No person shall be eligible for the state supplement program whose assets as defined by the commissioner exceed sixteen hundred dollars or, if living with a spouse, whose combined assets exceed twenty-four hundred dollars.
- Sec. 2. (NEW) (Effective July 1, 2006) (a) As used in this section, "hospital" means an establishment for the lodging, care and treatment of persons suffering from disease or other abnormal physical or mental conditions and includes inpatient psychiatric services in general hospitals; and "indigent person" means any person who is eligible for or who is receiving medical assistance benefits from the state, pursuant to section 17b-261 of the 2006 supplement to the general statutes.
- (b) A hospital which receives payment from the state for rendering care to indigent persons shall ensure that any physicians group affiliated with such hospital does not discriminate on the basis of source of payment against indigent persons who seek medical treatment from such affiliated physicians group.
- (c) Upon the receipt of a complaint concerning a violation of this section, the Department of Social Services shall conduct an investigation into such complaint.
- (d) The Department of Social Services may decrease the

LCO No. 2588 3 of 7 disproportionate share payment to any hospital with an affiliated physicians group found to have violated the provisions of this section.

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- (e) Prior to imposing any sanction, the Department of Social Services shall notify the hospital of the alleged violation and shall permit such facility to request an administrative hearing, in accordance with sections 4-176e to 4-181a, inclusive, of the general statutes. A hospital shall request such hearing not later than fifteen days after the date of receipt of the notice of alleged violation from the department.
- (f) The Commissioner of Social Services shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to carry out the provisions of this section.
- Sec. 3. (NEW) (Effective July 1, 2006) For the fiscal year ending June 30, 2007, and each fiscal year thereafter, the Secretary of the Office of Policy and Management shall increase the compensation rate paid to private providers under contract with the state to provide services related to health and hospitals, human services, education and correction by an amount equal to the annual average increase paid to state employees providing the same or similar services during the previous biennium, as determined by the Secretary of the Office of Policy and Management.
- Sec. 4. Section 17b-255 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):
  - (a) There is established, in the Department of Social Services, a program to provide insurance assistance for [people with AIDS] persons with acquired immunodeficiency syndrome or human immunodeficiency virus. Under the program the state shall pay insurance premiums for persons [with AIDS-related disease] with acquired immunodeficiency syndrome or human immunodeficiency virus who, without such assistance, would be unable to obtain health insurance coverage through an employer. [To qualify for assistance a person shall have a family income less than two hundred per cent of

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111 the federal poverty level, shall have less than ten thousand dollars in cash assets and shall have health insurance which may be continued 112 113 upon termination of employment of the applicant, the applicant's 114 spouse or the applicant's parent. Assistance shall be available to an 115 applicant: (1) With income below four hundred per cent of the federal 116 poverty level, and (2) who has health insurance that may be continued 117 upon the termination of employment of the applicant, the applicant's 118 spouse or the applicant's parent. Insurance premiums and medical 119 expenses for which the applicant has no coverage, which are incurred 120 in the month of application, shall be deducted from gross income for 121 the purpose of determining income eligibility for the program. Eligibility shall be periodically redetermined and any uncovered 122 123 medical expenses incurred in the month of redetermination shall be 124 deducted from gross income in determining continued eligibility for 125 the program. An applicant for assistance shall document the risk of 126 losing health insurance and submit a physician's statement that the 127 applicant has [an AIDS-related disease] acquired immunodeficiency 128 syndrome or human immunodeficiency virus.

(b) The Commissioner of Social Services shall adopt regulations, in accordance with chapter 54, to implement the provisions of this section, which shall include the establishment of (1) higher income eligibility limits for applicants with dependents; (2) an application process for the program, including application forms; and (3) a procedure by which the insurance premiums of participants in the program shall be paid.

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- 136 (c) Except as otherwise specified in this section, the insurance [people with AIDS] 137 assistance persons with acquired 138 immunodeficiency syndrome or human immunodeficiency virus 139 program shall be operated in a manner consistent with the Medicaid 140 program.
- 141 (d) The Department of Social Services shall investigate the 142 purchasing of a managed care insurance program in lieu of the

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SECTION

143 issuance of individual policies.

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144 Sec. 5. (NEW) (Effective July 1, 2006) The Commissioner of Social 145 Services shall, within available appropriations, establish and operate a 146 pilot program that will allow not more than seventy-five persons with 147 income that exceeds three hundred per cent of the federal supplemental security income limit who reside in a residential care 148 149 home, but are at risk for being displaced from such home because of 150 income which exceeds threshold limits or are making application for 151 residence at a residential care home to reside in such home. The 152 commissioner shall ensure that the annual per recipient cost to the 153 state for participation in the pilot program shall not exceed the annual 154 per recipient cost to the state for placement of the same individuals in nursing home facilities under the Medicaid program. Cost savings 155 156 realized by the state through implementation of the pilot program 157 shall be used to provide healthcare coverage, including prescription 158 drug coverage to pilot program participants. Not later than January 1, 159 2008, the Commissioner of Social Services shall report, in accordance 160 with section 11-4a of the general statutes, to the select committee of the 161 General Assembly having cognizance of matters relating to aging and 162 to the joint standing committees of the General Assembly having 163 cognizance of matters relating to human services, appropriations and 164 the budgets of state agencies on such pilot program.

Sec. 6. (Effective July 1, 2006) The sum of \_\_\_\_\_ dollars is appropriated to the Office of Policy and Management, from the General Fund, for the fiscal year ending June 30, 2007, to provide an increase in the compensation rate paid by the state to private providers under contract with the state to provide services related to health and hospitals, human services, education and correction.

Sec. 7. (Effective July 1, 2006) The sum of \_\_\_\_\_ dollars is appropriated to the Department of Social Services, from the General Fund, for the fiscal year ending June 30, 2007, to transform the department's current Medicaid customer service center into a centralized call center that will

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and the

175 better service the needs of Medicaid beneficiaries.

This act shall take effect as follows and shall amend the following sections:				
Section 1	July 1, 2006	17b-80		
Sec. 2	July 1, 2006	New section		
Sec. 3	July 1, 2006	New section		
Sec. 4	July 1, 2006	17b-255		
Sec. 5	July 1, 2006	New section		
Sec. 6	July 1, 2006	New section		
Sec. 7	July 1, 2006	New section		

#### Statement of Purpose:

To: (1) Revise income eligibility procedures used by the Department of Social Services in program eligibility determinations, (2) prohibit groups affiliated with hospitals that receive physicians disproportionate share payments from discriminating against persons on the basis of source of payment, (3) increase payment rates to private providers contracting with the state for the provision of human services, (4) expand the availability of state insurance payments on behalf of persons with acquired immunodeficiency syndrome or human immunodeficiency virus, (5) establish a residential care home pilot program for persons with income that exceeds three hundred per cent of the federal supplemental security income limit, and (6) provide appropriations to the Department of Social Services for the establishment of a dedicated call center for Medicaid recipients.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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General Assembly

Substitute Bill No. 5642

February Session, 2006



## CONNECTICUI STATE LIBRARY LEGISLATIVE REFERENCE SECTION

# AN ACT CONCERNING PROGRAMS ADMINISTERED BY THE DEPARTMENT OF SOCIAL SERVICES.

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

- Section 1. Section 17b-80 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):
- (a) The commissioner, upon receipt of an application for aid, shall 3 4 promptly and with due diligence make an investigation, such 5 investigation to be completed within forty-five days after receipt of the 6 application or within sixty days after receipt of the application in the 7 case of an application in which a determination of disability must be 8 made. If an application for an award is not acted on within forty-five 9 days after the filing of an application, or within sixty days in the case 10 of an application in which a determination of disability must be made, 11 the applicant may apply to the commissioner for a hearing in 12 accordance with sections 17b-60 and 17b-61. The commissioner shall 13 grant aid only if [he] the commissioner finds the applicant eligible 14 therefor, in which case [he] the commissioner shall grant aid in such 15 amount, determined in accordance with levels of payments established 16 by the commissioner, as is needed in order to enable the applicant to 17 support himself, or, in the case of temporary family assistance, to 18 enable the relative to support such dependent child or children and 19 himself, in health and decency, including the costs of such medical

care as [he] the commissioner deems necessary and reasonable, not in excess of the amounts set forth in the various fee schedules promulgated by the [Commissioner of Social Services] commissioner for medical, dental and allied services and supplies or the charges made for comparable services and supplies to the general public, whichever is less, and the cost of necessary hospitalization as is provided in section 17b-239, as amended, over and above hospital insurance or other such benefits, including workers' compensation and claims for negligent or wilful injury. The commissioner, subject to the provisions of subsection (b) of this section, shall in determining need, take into consideration any available income and resources of the individual claiming assistance. The commissioner shall make periodic investigations to determine eligibility and may, at any time, modify, suspend or discontinue an award previously made when such action is necessary to carry out the provisions of the state supplement program, medical assistance program, temporary family assistance program, state-administered general assistance program or food stamps program. The parent or parents of any child for whom aid is received under the temporary family assistance program and any beneficiary receiving assistance under the state supplement program shall be conclusively presumed to have accepted the provisions of sections 17b-93, as amended, 17b-94 and 17b-95.

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- (b) (1) The commissioner, in making a determination for initial or continued eligibility for any program operated or administered by the Department of Social Services, shall, to the extent permitted by federal law, exclude as income to a program applicant or program beneficiary, any sums received by such person that are attributable to payments from the Department of Children and Families pursuant to section 17a-90 or 17a-126 of the 2006 supplement to the general statutes.
  - (2) The commissioner, in making a determination for initial or continued eligibility for any program operated or administered by the department, shall exclude as income to a program applicant or beneficiary who receives a relative caregiver subsidy payment pursuant to section 17a-126 of the 2006 supplement to the general

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- 54 <u>statutes, any earned income attributable to the child for whom the</u> 55 <u>subsidy payment is made.</u>
- [(b)] (3) The commissioner shall disregard any earned income of a child who is a student in determining the eligibility, standard of need and amount of assistance of a family in the [TFA] temporary family assistance program.
- 60 (c) No person shall be eligible for the state supplement program 61 whose assets as defined by the commissioner exceed sixteen hundred 62 dollars or, if living with a spouse, whose combined assets exceed 63 twenty-four hundred dollars.
- Sec. 2. Section 17b-105a of the 2006 supplement to the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2006):
  - (a) The Commissioner of Social Services shall seek a waiver from federal law to allow persons who live in an area in which (1) the unemployment rate is greater than ten per cent, or (2) there is an insufficient number of jobs to provide such persons with employment, to be exempt from the three-month participation limit of the food stamp program implemented pursuant to the Food Stamp Act of 1977.
  - (b) The Commissioner of Social Services shall implement the federal option to allow applicants for, or recipients of, food stamps to retain a car valued up to the limit established [under the temporary family assistance program] in accordance with 7 CFR 273.8(f)(4).
  - (c) The Commissioner of Social Services, pursuant to 7 USC 2014(e)(6), shall implement the federal option to mandate the use of a standard utility allowance, to be used in place of actual utility costs, for purposes of calculating the excess shelter deduction of applicants for, or recipients of, food stamp program benefits. Pursuant to 7 USC 2014(e)(6)(C)(iii)(III), the commissioner shall not prorate a standard utility allowance based upon the fact that an assisted household shares the utility with an individual who is not a member of the assisted

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Sec. 3. (NEW) (Effective July 1, 2006) For the fiscal year ending June 30, 2007, and each fiscal year thereafter, the Secretary of the Office of Policy and Management shall increase the compensation rate paid to private providers under contract with the state to provide services related to health and hospitals, human services, education and correction by an amount equal to the annual average increase paid to state employees providing the same or similar services during the previous biennium, as determined by the Secretary of the Office of Policy and Management.

- 95 Sec. 4. Section 17b-255 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):
  - (a) There is established, in the Department of Social Services, a program to provide insurance assistance for [people with AIDS] persons with acquired immunodeficiency syndrome or human immunodeficiency virus. Under the program the state shall pay insurance premiums for persons with [AIDS-related disease] acquired immunodeficiency syndrome or human immunodeficiency virus who, without such assistance, would be unable to obtain health insurance coverage through an employer. To qualify for assistance a person shall have a family income less than two hundred per cent of the federal poverty level, shall have less than ten thousand dollars in cash assets and shall have health insurance which may be continued upon termination of employment of the applicant, the applicant's spouse or the applicant's parent. Insurance premiums and medical expenses for which the applicant has no coverage, which are incurred in the month of application, shall be deducted from gross income for the purpose of determining income eligibility for the program. Eligibility shall be periodically redetermined and any uncovered medical expenses incurred in the month of redetermination shall be deducted from gross income in determining continued eligibility for the program. An applicant for assistance shall document the risk of losing health insurance and submit a physician's statement that the applicant has [an

- 118 AIDS-related disease] <u>acquired immunodeficiency syndrome or</u> 119 <u>human immunodeficiency virus.</u>
- (b) The Commissioner of Social Services shall adopt regulations, in accordance with chapter 54, to implement the provisions of this section, which shall include the establishment of (1) higher income eligibility limits for applicants with dependents; (2) an application process for the program, including application forms; and (3) a procedure by which the insurance premiums of participants in the program shall be paid.
- 127 (c) Except as otherwise specified in this section, the insurance 128 assistance for [people with AIDS] <u>persons with acquired</u> 129 <u>immunodeficiency syndrome or human immunodeficiency virus</u> 130 program shall be operated in a manner consistent with the Medicaid 131 program.
- 132 (d) The Department of Social Services shall investigate the 133 purchasing of a managed care insurance program in lieu of the 134 issuance of individual policies.
- (e) The insurance assistance program for persons with acquired immunodeficiency syndrome or human immunodeficiency virus shall terminate on January 1, 2007.
- Sec. 5. Section 17b-256 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):
- 140 The Commissioner of Social Services may administer, within 141 available appropriations, a program providing payment for the cost of 142 drugs prescribed by a physician for the prevention or treatment of 143 syndrome acquired immunodeficiency (AIDS) 144 immunodeficiency virus (HIV infection). The commissioner shall 145 determine specific drugs to be covered and may implement a 146 pharmacy lock-in procedure for the program. The commissioner shall 147 adopt regulations, in accordance with the provisions of chapter 54, to 148 carry out the purposes of this section. The commissioner may

implement the program while in the process of adopting regulations, provided notice of intent to adopt the regulations is published in the Connecticut Law Journal within twenty days of implementation. The regulations may include eligibility for all persons with AIDS or HIV infection whose income is below four hundred per cent of the federal poverty level.]

(a) The Department of Social Services shall establish a program to provide insurance premium assistance or prescription drug assistance for persons with acquired immunodeficiency syndrome or human immunodeficiency virus. Under the program, the department shall pay on behalf of an eligible applicant, the lesser of: (1) Insurance premiums, including payments for the continuation of health plan benefits available pursuant to federal extension requirements established by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time, and any applicable copayments; or (2) payment for the cost of drugs prescribed for the applicant for treatment of acquired immunodeficiency syndrome or human immunodeficiency virus. Assistance under the program shall be available to an applicant with family income less than four hundred per cent of the federal poverty level and access to employer sponsored health insurance that, consistent with state and federal law, would be continued upon termination of employment of the applicant, the applicant's spouse or the applicant's parent. An applicant shall demonstrate to the satisfaction of the Commissioner of Social Services, that such applicant is without the financial means to obtain health insurance or prescription drug coverage through an employer and shall provide the commissioner with a physician's statement documenting that the applicant has acquired immunodeficiency syndrome or human immunodeficiency virus. On and after January 1, 2007, persons receiving insurance assistance under the program established pursuant to section 17b-255, as amended by this act, shall be eligible to receive insurance premium assistance in accordance with the provisions of this subsection.

182 (b) The commissioner shall, within available federal resources,

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purchase and maintain insurance policies for eligible clients, including, but not limited to, coverage of costs associated with such policies, that provide a full range of HIV treatments and access to comprehensive primary care services as determined by the commissioner and as provided by federal law, and may provide payment, determined by the commissioner, for (1) drugs and nutritional supplements prescribed by a physician that prevent or treat opportunistic diseases and conditions associated with AIDS or HIV infection; (2) ancillary supplies related to the administration of such drugs; and (3) laboratory tests ordered by a physician.

(c) The Commissioner of Social Services, in accordance with chapter 54, shall implement policies and procedures necessary to establish program eligibility criteria and implement the provisions of this section while in the process of adopting such policies and procedures as regulations, provided notice of the intent to adopt regulations is published in the Connecticut Law Journal not later than twenty days after implementation of such policies and procedures. Such policies and procedures shall be valid until the time final regulations are effective.

Sec. 6. (NEW) (Effective July 1, 2006) The Commissioner of Social Services shall, within available appropriations, establish and operate a pilot program that will allow not more than seventy-five persons with income that exceeds three hundred per cent of the federal supplemental security income limit who reside in a residential care home, but are at risk for being displaced from such home because of income which exceeds threshold limits or are making application for residence at a residential care home to reside in such home. The commissioner shall ensure that the annual per recipient cost to the state for participation in the pilot program shall not exceed the annual per recipient cost to the state for placement of the same individuals in nursing home facilities under the Medicaid program. Cost savings realized by the state through implementation of the pilot program shall be used to provide healthcare coverage, including prescription drug coverage to pilot program participants. Not later than January 1,

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2008, the Commissioner of Social Services shall report, in accordance with section 11-4a of the general statutes, to the select committee of the General Assembly having cognizance of matters relating to aging and to the joint standing committees of the General Assembly having cognizance of matters relating to human services, appropriations and the budgets of state agencies on such pilot program.

Sec. 7. (Effective July 1, 2006) The sum of \_\_\_\_\_ dollars is appropriated to the Office of Policy and Management, from the General Fund, for the fiscal year ending June 30, 2007, to provide an increase in the compensation rate paid by the state to private providers under contract with the state to provide services related to health and hospitals, human services, education and correction.

Sec. 8. (Effective July 1, 2006) The sum of \_\_\_\_\_ dollars is appropriated to the Department of Social Services, from the General Fund, for the fiscal year ending June 30, 2007, to transform the department's current Medicaid customer service center into a centralized call center that will better service the needs of Medicaid beneficiaries.

This act sha sections:	all take effect as follov	vs and shall amend the following
Section 1	July 1, 2006	17b-80
Sec. 2	July 1, 2006	17b-105a
Sec. 3	July 1, 2006	New section
Sec. 4	July 1, 2006	17b-255
Sec. 5	July 1, 2006	17b-256
Sec. 6	July 1, 2006	New section
Sec. 7	July 1, 2006	New section
Sec. 8	July 1, 2006	New section

**HS** Joint Favorable Subst. C/R

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Substitute HB# 5642

STATE OF CONNECTICUT HOUSE OF REPRESENTATIVES

Darry L. Co Buran

MAR 2 3 2006

FAVORABLE REPORT OF COMMETTEE ON HUMAN SERVICES REFERRED TO COMMITTEE ON APPROPRIATIONS