Governor Ned Lamont
State of Connecticut

FACT SHEET
2023 Legislative Session

HOUSE BILL 6665

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HEALTH AND HUMAN SERVICES

Summary of Proposal:

This bill makes the following changes:

Sections 1 – 3, 13 – 17. Support Comprehensive Planning and Coordination of Autism Services. To better coordinate autism services across a fragmented system where several state agencies and school districts either directly provide or oversee services for individuals on the autism spectrum, this bill requires the Office of Policy and Management (OPM) to serve as the lead agency responsible for coordinating services. This will allow a more holistic review of autism services in order to identify gaps in the service continuum and work to improve cross-agency coordination going forward. Funding of $90,214 is included in the Governor's budget for one position in OPM to support the comprehensive planning and coordination of services for all individuals across the autism spectrum. The Department of Social Services will continue to oversee the operation of Medicaid state plan services and the autism waiver.

Section 4. Allow Sharing of Information Between the Department of Revenue Services and Access Health CT. This bill authorizes the Commissioner of Revenue Services to release tax information to Access Health CT, the state's health insurance marketplace, for the sole purpose of conducting targeted outreach to uninsured residents in the state. The bill imposes a fine of up to $5,000 for the disclosure of any such information to a third party without permission from the Commissioner. The bill also requires that the Department of Revenue Services revise its tax return form to include space on the tax return for residents to authorize Access Health CT to contact them regarding enrollment in a health plan. By facilitating targeted outreach to uninsured residents of this state, this bill will help minimize disruptions in health care coverage.

Section 5. This section of the bill implements several provisions included in the Governor's budget related to the Temporary Family Assistance (TFA) program.

1. Increase Asset Limits. This bill doubles the asset limit under the TFA program from $3,000 to $6,000 to allow families to earn and save a modest amount of money without losing access to TFA benefits and services. Increasing the asset limit will encourage families to save and help them achieve financial security and economic independence. Costs of $760,000 in FY 2024 and $3.3 million in FY 2025 are anticipated.

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2. Increase Earned Income Disregard. To encourage TFA participants to pursue and continue on career paths that lead to higher-paying jobs, the earned income disregard, which is currently at 100% of the federal poverty level (FPL), is increased and adjusted under this bill to reduce benefit cliffs. Families with income (1) at or below 100% FPL can remain on the TFA program with no impact to their benefits; (2) above 100% FPL but at or below 170% FPL can remain on the program for six months with no impact to their benefits; and (3) above 170% FPL but at or below 230% FPL can remain on the program for six months with a 20% reduction in their benefit level. Increasing the earned income disregard from 100% FPL to 230% FPL (from $30,000 to $69,000 for a family of four) will allow families to remain on TFA longer while pursuing their careers. Costs of $1.2 million in FY 2024 and $3.1 million in FY 2025 are anticipated.

3. Recognize Change in 2022 Session That Automatically Indexes TFA. Section 327 of Public Act 21-2, June special session, added language requiring the Department of Social Services, effective July 1, 2023, to provide an annual cost-of-living adjustment under TFA whenever (1) funds appropriated for TFA lapse at the end of any fiscal year, (2) such adjustment has not otherwise been included in the budget, and (3) the increase would not create a deficiency in succeeding years. Pursuant to section 236 of Public Act 22-118, this language is no longer needed since the standard of need for TFA is now tied to the federal poverty level, which is indexed to the consumer price index for urban consumers. Thus, benefit levels under TFA will automatically be increased each year. As such, this bill removes the provision in statute that was added pursuant to section 327 of Public Act 21-2, June special session, and codified under subsection (g) of section 17b-112, CGS.

Section 6. Increase Asset Limits under State Administered General Assistance. This bill doubles the asset limit under the State Administered General Assistance program from $250 to $500 to help ensure recipients do not risk exceeding the asset limit due to the issuance of their monthly benefit. Costs of $140,000 in FY 2024 and $480,000 million in FY 2025 are anticipated.

Section 7. Allow for Retroactive Start Date under State Supplement Program. Currently, the State Supplement application process is initiated when an individual requests cash assistance on a DSS application, with the date the application is signed being the earliest possible date assistance may be provided. Similar to nursing home admissions, many individuals moving into a residential care home (RCH) or rated housing facility (RHF), do not have the opportunity to apply for assistance prior to the admission or at the time of admission – many admissions are unexpected or result from an emergency placement after a serious injury or hospitalization. In order to provide a safety net for these individuals in need and ensure that the RCHs and RHFs serving this population are made whole, this bill aligns State Supplement rules concerning the start date of assistance with the rules that apply for Medicaid beneficiaries in need of nursing home care. This change will allow individuals seeking coverage under the program to receive State Supplement benefits for up 90 days prior to the date of the application if otherwise eligible for the program. This will help stabilize payments for RCHs and RHFs and will help impacted residents with the costs of care and room and board during that interim period. Costs of $380,000 in FY 2024 and $520,000 million in FY 2025 are anticipated.

Sections 8, 9 and 10. Remove Rate Increases for Residential Care Homes and Rated Housing Facilities. Under current statute, DSS is required to annually determine rates for residential care homes and rated housing facilities. Per DSS' regulations, rate increases are based on actual cost reports submitted by facilities, barring any legislation to remove rate increases for a particular fiscal year. This bill eliminates these rate increases over the biennium and, for rated housing facilities that choose not to submit annual cost reports, maintains the minimum flat rate at current levels. Savings of $4.4 million in FY 2024 and $7.3 million in FY 2025 are anticipated.

Section 10. Rebase Rates for Residential Care Homes. Many residential care homes are experiencing financial issues, which has resulted in the closure of a number of RCHs in recent years, with more RCHs expected to close in 2023. Recognizing the importance of having this level of care available as part of the continuum of care, the Governor's budget includes funding to rebase rates to help ensure that these homes remain viable. (Rates were last rebased in FY 2013 based on 2011 cost reports.) This bill rebases rates based on the 2022 cost reports, the most recently audited rate year. Costs of $5.2 million in FY 2024 and FY 2025 are anticipated.

Section 11. Remove Rate Increases for Intermediate Care Facilities. To comply with DSS' regulations, the baseline budget includes an inflationary adjustment in each year of the biennium for intermediate care facilities for individuals with intellectual disabilities. This bill eliminates these increases over the biennium. Savings of $1.9 million in FY 2024 and $3.2 million in FY 2025 ($3.8 million in FY 2024 and $6.4 million in FY 2025 after factoring in the federal share) are anticipated.

Section 12. Remove Rate Increases for Nursing Homes. Pursuant to DSS' regulations, the baseline budget includes an inflationary adjustment in each year of the biennium for nursing homes. DSS is required to provide these inflationary increases barring any legislation to remove rate increases for a particular fiscal year. This bill eliminates these increases over the biennium. (It should be noted that there is a separate inflationary factor that is built into the acuity-based model that is being implemented over the three-year period beginning in FY 2023 and which recognizes the additional resources required for nursing homes serving higher acuity residents.) Savings of $35.9 million in FY 2024 and $60.5 million in FY 2025 ($77.5 million in FY 2024 and $128.4 million in FY 2025 after factoring in the federal share) are anticipated.

Reason for Proposal:

Legislation is required to implement the Governor's Budget

Significant Impacts:

In total, the above initiatives will result in net savings of $34.4 million in FY 2024 and $58.4 million in FY 2025 ($81.2 million in FY 2024 and $134.7 million in FY 2025 after factoring in the federal share).