



House of Representatives

General Assembly

File No. 443

February Session, 2026

Substitute House Bill No. 5559

House of Representatives, April 7, 2026

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 substitute bill ought to pass.

AN ACT CONCERNING A BASIC HEALTH PROGRAM.

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

1 Section 1. (NEW) (*Effective July 1, 2026*) (a) As used in this section and
2 sections 2 to 4, inclusive, of this act:

3 (1) "Affordable Care Act" has the same meaning as provided in
4 section 38a-1080 of the general statutes;

5 (2) "Eligible individual" means a state resident who (A) is under sixty-
6 five years of age, (B) has household income exceeding one hundred
7 thirty-three per cent of the federal poverty level but not exceeding two
8 hundred per cent of the federal poverty level, (C) is otherwise ineligible
9 for medical assistance programs established pursuant to chapter 319v of
10 the general statutes, and (D) is otherwise eligible to enroll in a qualified
11 health plan, as defined in section 38a-1080 of the general statutes, on
12 Access Health Connecticut; and

13 (3) "Basic health program" means a health care program authorized

14 under Section 1331 of the Affordable Care Act for eligible individuals
15 that is funded by federal payments to the state amounting to ninety-five
16 per cent of the health insurance premium tax credits and cost-sharing
17 reductions that would have otherwise been provided to, or on behalf of,
18 eligible individuals under the Affordable Care Act.

19 (b) On and after October 1, 2026, the Commissioner of Social Services,
20 in consultation with the Office of Policy and Management and based
21 upon the recommendations of the working group established pursuant
22 to section 3 of this act, shall seek any necessary approvals from the
23 federal government to establish a basic health program and take all
24 necessary actions to maximize federal funding.

25 (c) The commissioner shall, in accordance with the Affordable Care
26 Act, coordinate the administration of, and provision of benefits under,
27 the basic health program with the state medical assistance programs. To
28 the extent permissible under the Affordable Care Act, medical
29 assistance provided through the basic health program shall include the
30 benefits, limits on cost-sharing and other consumer safeguards that
31 apply to the state medical assistance programs.

32 (d) If the commissioner determines that the cost of medical assistance
33 provided to eligible individuals in the basic health program will exceed
34 federal subsidies, or if changes in federal law, regulations or the
35 administration of federal law or regulations affects funding, eligibility
36 for or administration of the program, the commissioner, in consultation
37 with the Office of Policy and Management, may develop a plan to
38 respond to such changes. To the extent that federal funds received under
39 the Affordable Care Act for the basic health program exceed the cost of
40 medical assistance that would otherwise be provided to eligible
41 individuals, the commissioner shall use such funds to reduce the
42 premiums and cost-sharing of, or provide additional benefits for,
43 eligible individuals in accordance with 42 USC 18051, as amended from
44 time to time.

45 (e) The Commissioner of Social Services shall forward any
46 application for federal approval of or changes to the basic health

47 program to the joint standing committees of the General Assembly
48 having cognizance of matters relating to appropriations and the budgets
49 of state agencies and human services and to the working group
50 established pursuant to section 3 of this act not later than thirty days
51 before seeking federal approval for the program.

52 (f) Not later than January 1, 2027, every six months thereafter through
53 January 1, 2030, and annually thereafter, the commissioner shall submit
54 a report, in accordance with the provisions of section 11-4a of the general
55 statutes, to the joint standing committees of the General Assembly
56 having cognizance of matters relating to appropriations and the budgets
57 of state agencies, human services and insurance and real estate. The
58 report shall contain a narrative description of the operations, activities
59 and finances of the basic health program and any supporting
60 documentation or data for the immediately preceding reporting period.

61 Sec. 2. (NEW) (*Effective July 1, 2026*) There is established an account
62 to be known as the "basic health program account", which shall be a
63 separate, nonlapsing account. The account shall contain any moneys
64 required by law to be deposited in the account. Moneys in the account
65 shall be expended by the Department of Social Services solely for the
66 purposes of operating a basic health program in accordance with the
67 Affordable Care Act and section 1 of this act.

68 Sec. 3. (NEW) (*Effective from passage*) (a) The Commissioner of Social
69 Services shall establish a working group to oversee the design of the
70 basic health program established pursuant to sections 1 and 2 of this act.

71 (b) The working group shall consist of:

72 (1) The Connecticut Healthcare Advocate, or the advocate's designee;

73 (2) The Insurance Commissioner, or the commissioner's designee;

74 (3) The Commissioner of Social Services, or the commissioner's
75 designee;

76 (4) The executive director of the Commission on Racial Equity in

77 Public Health, or the executive director's designee;

78 (5) The State Comptroller, or the comptroller's designee;

79 (6) The Secretary of the Office of Policy and Management, or the
80 secretary's designee, who shall serve as a chairperson;

81 (7) The speaker of the House of Representatives, the president pro
82 tempore of the Senate, the majority leader of the House of
83 Representatives, the majority leader of the Senate, the minority leader
84 of the House of Representatives, and the minority leader of the Senate,
85 or their designees;

86 (8) The House and Senate chairpersons of the joint standing
87 committee of the General Assembly having cognizance of matters
88 relating to human services, who, along with the Secretary of the Office
89 of Policy and Management, or the secretary's designee, shall serve as
90 chairpersons;

91 (9) The House and Senate chairpersons of the joint standing
92 committee of the General Assembly having cognizance of matters
93 relating to insurance and real estate, or their designees;

94 (10) The chief executive officer of Access Health Connecticut;

95 (11) Three health insurance experts from the nonprofit and academic
96 communities with demonstrated knowledge about health plan design
97 and actuarial practices, appointed by the chairpersons of the working
98 group; and

99 (12) Any other members the chairpersons of the working group deem
100 necessary.

101 (c) Any member of the working group appointed under subdivisions
102 (11) and (12) of subsection (b) of this section may be a member of the
103 General Assembly. All initial appointments to the working group shall
104 be made not later than thirty days after the effective date of this section.
105 If such appointments are not made not later than thirty days after the

106 effective date of this section, the Commissioner of Social Services may
107 designate individuals with the required qualifications for the applicable
108 appointment to serve on the working group until such appointments are
109 made.

110 (d) The working group may consult with stakeholders, including, but
111 not limited to, current enrollees in Access Health Connecticut, enrollees
112 in the state's medical assistance programs, health care providers, health
113 insurance issuers, health care advocates, researchers, actuaries and
114 nonprofit health care service providers.

115 (e) Members appointed pursuant to subdivisions (11) and (12) of
116 subsection (b) of this section shall serve at the pleasure of the appointing
117 authority and shall continue to serve until their successors are
118 appointed. Any vacancy shall be filled by the appointing authority.

119 (f) A majority of the membership of the working group shall
120 constitute a quorum for the transaction of any business and any decision
121 shall be by a majority vote of those present at a meeting. The
122 chairpersons may establish such committees, subcommittees or other
123 entities as they deem necessary to further the purposes of the working
124 group. The working group may adopt rules of procedure.

125 (g) The members of the working group shall serve without
126 compensation, but shall, within the limits of available funds and subject
127 to the approval of the working group's chairpersons, be reimbursed for
128 expenses necessarily incurred in the performance of their duties.

129 (h) Not later than December 1, 2026, the working group shall submit
130 a report to the joint standing committees of the General Assembly
131 having cognizance of matters relating to appropriations and the budgets
132 of state agencies, human services and insurance and real estate
133 concerning the group's recommendations for the design and
134 implementation of the basic health program. Such report shall contain a
135 description of the program, including, but not limited to, operations and
136 funding for the program. For purposes of this section, "Access Health
137 Connecticut" means the Internet web site maintained by the Connecticut

138 Health Insurance Exchange, established pursuant to section 38a-1081 of
 139 the general statutes, through which enrollees and prospective enrollees
 140 may obtain standardized comparative information on and enroll in
 141 qualified health plans under the Affordable Care Act.

142 Sec. 4. (Effective July 1, 2026) Prior to implementation of the basic
 143 health program, the Commissioner of Social Services shall hold at least
 144 one public hearing for the program and a series of stakeholder
 145 engagement meetings with potential stakeholders, including, but not
 146 limited to: (1) Representatives of hospitals, health centers, other health
 147 care providers, HUSKY Health plan enrollees and Access Health
 148 Connecticut enrollees, (2) members of the joint standing committees of
 149 the General Assembly having cognizance of matters relating to
 150 appropriations and the budgets of state agencies, human services,
 151 public health and insurance and real estate, and (3) other persons with
 152 health equity and health coverage policy expertise.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2026	New section
Sec. 2	July 1, 2026	New section
Sec. 3	from passage	New section
Sec. 4	July 1, 2026	New section

Statement of Legislative Commissioners:
 In Section 1(f), the last sentence was redrafted for clarity; in Section 3, "cochairperson" and "cochairpersons" were changed to "chairperson" and "chairpersons" for clarity and consistency; in Section 3(b)(8), "along with the Secretary of the Office of Policy and Management, or the secretary's designee," was added for clarity, and in Section 3(h), the definition of "Access Health Connecticut" was added for clarity.

HS Joint Favorable Subst. -LCO

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 27 \$	FY 28 \$
Social Services, Dept.	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

Section 1 results in a cost to the Department of Social Services (DSS) associated with establishing a basic health program. DSS will incur initial contracting costs of at least \$750,000 to develop and submit the required waiver as well as costs for additional staff and resources to perform an actuarial analysis, procure a managed care organization, and set up other potentially necessary operational mechanisms to implement the program. The costs to implement the program are dependent on how the program is ultimately structured.

Section 2 establishes the "basic health program account", which is a separate, non-lapsing account. Moneys in the account shall be expended by DSS solely for the purposes of operating a basic health program referenced in section 1.

Section 3, which does not result in a fiscal impact, requires DSS to establish a working group to oversee the design of the basic health program and submit on the working group's recommendations for a basic health program no later than December 1, 2026.

Section 4, which does not result in a fiscal impact, requires DSS to hold at least one public hearing and a series of stakeholder engagement meetings prior to implementation of the basic health program.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject the creation of a basic health program and funding available for such purposes.

OLR Bill Analysis**sHB 5559*****AN ACT CONCERNING A BASIC HEALTH PROGRAM.*****SUMMARY**

Starting October 1, 2026, this bill requires the Department of Social Services (DSS) commissioner to seek any necessary federal approval to establish a Basic Health Program (BHP), an optional program under the federal Affordable Care Act (ACA)(see BACKGROUND). The commissioner must do this in consultation with the Office of Policy and Management (OPM) and based on the recommendations of the working group the bill establishes to oversee the program's design.

Under the bill, the BHP provides subsidized health insurance to eligible low-income residents who would otherwise qualify to purchase coverage through the state's health insurance exchange (Access Health CT). Generally, the program must provide the same benefits, cost-sharing limits, and other consumer safeguards that apply to Connecticut Medical Assistance Program (CMAP, Medicaid, and the State Health Insurance Program for Children) recipients.

The federal government largely subsidizes the BHP's costs, and the bill establishes a separate, nonlapsing BHP account for these subsidies. The account must contain any moneys required by law to be deposited into it and DSS must use the funds only to operate the program.

Additionally, the bill requires the DSS commissioner to:

1. forward any federal applications to approve or make changes to the BHP to the Appropriations and Human Services committees and the bill's BHP working group at least 30 days before submitting them;

2. hold at least one public hearing on the BHP and a series of stakeholder engagement meetings before implementing the program; and
3. report to the legislature on the program's operations, activities, and finances every six months starting by January 1, 2027, through January 1, 2030, and annually after that.

EFFECTIVE DATE: July 1, 2026, except the working group provision takes effect upon passage.

BASIC HEALTH PROGRAM

Program Administration and Benefits

The bill requires the DSS commissioner to coordinate the BHP's administration and benefits and take all necessary actions to maximize federal funding. To the extent the ACA allows, it requires the BHP to provide the same benefits, cost-sharing limits, and other consumer safeguards that apply to CMAP recipients, unless the commissioner determines that:

1. doing so will cost more than the federal subsidies available to the state to pay for the BHP or
2. changes in federal law or regulations (or their administration) will affect BHP funding, eligibility requirements, or administration.

If the commissioner makes this determination, she may, in consultation with OPM, develop a plan to respond to these changes.

Under the bill, if the federal subsidies the state gets to pay for the BHP are more than the cost of care that would otherwise be provided to eligible people, the commissioner must use the extra funds to reduce the premiums and cost sharing for these people or give them additional benefits.

Eligibility Requirements

Under the bill, the BHP provides subsidized health insurance to

Connecticut residents (1) with household incomes between 133% and 200% of the federal poverty level, (2) under age 65, (3) ineligible for CMAP, and (4) otherwise eligible to purchase a qualified health plan through Access Health CT.

Public Hearing

Before implementing the BHP, the bill requires the DSS commissioner to hold at least one public hearing on the program, as well as a series of stakeholder engagement meetings with potential stakeholders, including (1) representatives of certain health care providers (for example, hospitals and health centers), CMAP, and Access Health CT enrollees; (2) Appropriations, Human Services, Insurance and Real Estate, and Public Health committee members; and (3) other experts in health equity and health coverage policy.

Report

Under the bill, the DSS commissioner must report to the Appropriations, Human Services, and Insurance and Real Estate committees on the BHP's operations, activities, and finances, as well as any supporting documentation or data for the immediately preceding reporting period. The commissioner must submit the reports (1) every six months, starting by January 1, 2027, through January 1, 2030, and (2) annually after that.

BHP WORKING GROUP

Duties

The bill requires the DSS commissioner to establish a working group to oversee the BHP's design. In doing its work, the group may consult with stakeholders, including current Access Health CT and CMAP enrollees, health care providers, health insurers, health care advocates, researchers, actuaries, and nonprofit health care providers.

Membership

Under the bill, the working group membership includes the following state officials or their designees:

1. Connecticut Healthcare Advocate,
2. social services and insurance commissioners,
3. Commission on Racial Equity in Public Health executive director,
4. State Comptroller,
5. OPM secretary,
6. six top legislative leaders, and
7. Insurance and Real Estate Committee House and Senate chairpersons.

Additionally, the Human Services Committee House and Senate chairpersons serve as the working group's chairpersons along with the OPM secretary or his designee.

The working group also includes the following additional members:

1. Access Health CT chief executive officer;
2. three health insurance experts from nonprofit and academic communities, with demonstrated knowledge of health plan design and actuarial practices, appointed by the working group chairpersons; and
3. any other members the chairpersons deem necessary.

Under the bill, appointed members may be legislators. Appointing authorities must make their initial appointments within 30 days after the bill's passage and fill any vacancies. If appointments are not made within that time, the DSS commissioner may designate qualified people to serve on the working groups until the appointments are made.

Appointed members serve at the pleasure of their appointing authority and must continue to serve until their successors are appointed.

Members serve without compensation but may be reimbursed for necessary expenses incurred when performing their duties if (1) funds are available and (2) the working group chairpersons approve it.

Meetings

Under the bill, a majority of the working group's members constitute a quorum for transacting business. Any decision must be made by a majority vote of members present at the meeting, except that the chairpersons may establish committees, subcommittees, or other necessary entities to do the working group's work. The working group may also adopt procedural rules.

Report

The bill requires the working group, by December 1, 2026, to report to the Appropriations, Human Services, and Insurance and Real Estate committees on (1) its recommendations for the BHP's design and implementation and (2) a description of the program, including its funding and operations.

BACKGROUND

BHP

The ACA allows states to establish BHPs for people (1) ineligible for Medicaid, (2) under age 65, (3) with household income between 133% and 200% of the FPL (people with incomes under 133% of the FPL qualify for Medicaid), and (4) ineligible for minimal essential health care coverage (for example, State Children's Health Insurance Program (HUSKY B in Connecticut)) or who cannot afford their employer's coverage.

The federal law imposes cost-sharing limits and requires that state BHPs provide benefits at least as rich as those in the state's "essential health benefits package" available to someone purchasing insurance through its health insurance exchange.

States that operate a BHP are eligible for federal subsidies equaling 95% of the premium tax credits and cost-sharing reductions that the

federal government would have spent if BHP enrollees had received their assistance when enrolling in an exchange health plan.

The law requires states to establish funds into which the federal subsidies are deposited and that can be used only to reduce BHP enrollees' premiums and cost sharing or to give them additional benefits (42 U.S.C. § 18051).

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 16 Nay 7 (03/19/2026)