

OFFICE OF FISCAL ANALYSIS

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sSB-326

AN ACT CONCERNING HUSKY C ASSET LIMITS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Social Services, Dept.	GF - Cost	\$1.5 million	See Below
Resources of the General Fund	GF - Revenue Gain	600,000	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a significant cost to the Department of Social Services (DSS) due to increasing (and eventually removing) the asset limit for purposes of HUSKY C eligibility. The bill increases the asset limit from \$1,600 for individuals and \$2,400 for married couples to \$10,000 and \$15,000 respectively in FY 28, \$25,000 and \$40,000 in FY 29, \$75,000 and \$100,000 in FY 30 and eliminates the asset limit beginning in FY 32.

The disposition of assets for the eligible expansion population is unknown. For context, if HUSKY C enrollment increases by 5%, the state will experience increased Medicaid costs of approximately \$14.5 million in the first year and \$63.4 million when annualized.¹ If enrollment were to increase by 10%, the state would experience annualized costs of at least \$126.7 million.

¹ This assumes a gradual increase in enrollment of 4,250 individuals over two years.

The state will incur additional administrative costs of approximately \$1.5 million in FY 27 and at least \$300,000 in subsequent years to modify the eligibility system and support increased enrollment. Increased system costs result in an associated federal grants revenue gain of approximately \$600,000 in FY 27.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to Medicaid enrollment under HUSKY C associated with the gradual increase and eventual elimination of asset limits.