
OLR Bill Analysis

SB 1151

AN ACT CONCERNING CERTAIN FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC ASSISTANCE PROGRAMS.

SUMMARY

This bill requires that the Department of Social Services (DSS) commissioner disregard (1) U.S. Department of Veterans Affairs (VA)-administered non-service-connected pension benefits and (2) housebound pension benefits granted to a veteran, or to a surviving spouse, when determining income eligibility for certain public assistance programs, including:

1. Medicaid (§§ 1 & 5),
2. Medicare Savings Program (§§ 1 & 4),
3. Connecticut Energy Assistance Program (§ 1),
4. State Administered General Assistance (§ 3),
5. State Supplement Program (§ 2),
6. Temporary Family Assistance (§ 2),
7. Connecticut Home Care Program for Elders (§ 6), and
8. State Appropriated Fuel Assistance Program (currently inactive) (§ 7).

Under existing law, because a veteran's or surviving spouse's pension payments for disabilities (including aid and attendance and housebound allowance payments) are not subject to federal or state income tax, they are disregarded when determining eligibility for Medicaid coverage groups that must use federal modified adjusted gross income (MAGI) rules to calculate income limits (such as HUSKY

A and D). For coverage groups that do not use MAGI rules (HUSKY C and the Medicare Savings Program), and other assistance programs listed above, current law only requires DSS to disregard aid and attendance benefits.

By law, DSS may apply to the federal Centers for Medicare and Medicaid Services to amend the state Medicaid plan or seek a waiver from federal law, if necessary, to exempt these veterans' benefits (CGS § 17b-28i).

EFFECTIVE DATE: July 1, 2025, and applicable to applications filed on or after July 1, 2025.

BACKGROUND

Definition of a Veteran

A "veteran" is anyone honorably discharged or released under honorable conditions, or released with an other than honorable (OTH) discharge based on a qualifying condition, from active service in the armed forces (the U.S. Army, Navy, Marine Corps, Coast Guard, Space Force, Air Force, and any of their reserve components, including the Connecticut National Guard when under federal service) (CGS § 27-103).

A qualifying condition is a (1) post-traumatic stress disorder or traumatic brain injury diagnosis by a licensed health care professional at a U.S. Department of Veterans Affairs facility; (2) military sexual trauma disclosed to such a health care professional; or (3) determination by the Qualifying Review Board that sexual orientation, gender identity, or gender expression was more likely than not the primary reason for the OTH discharge (CGS § 27-103).

Aid and Attendance and Housebound Allowance

Individuals receiving a VA-administered pension may also receive aid and attendance benefits or housebound allowances, which both provide additional monthly payments. Aid and attendance is for qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are

in a nursing home due to mental or physical incapacity. Housebound benefits are for individuals who spend most of their time in their homes due to a permanent disability.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable

Yea 20 Nay 0 (03/11/2025)