
From: Antonetti, Matthew S <Matthew.S.Antonetti@ct.gov>
Sent: Thursday, April 10, 2025 6:45 PM
To: Amee J. Lunn <AJLunn@lunnesq.com>
Cc: Shaffer, Graham <Graham.Shaffer@ct.gov>
Subject: Social Security Fairness Act Retroactive Payment Impact

Attorney Lunn,
Thank you for the prompt. Here are the responses to your follow-up questions, below, in **purple**.
--Matt

From: Amee J. Lunn <AJLunn@lunnesq.com>
Sent: Wednesday, April 2, 2025 1:09 PM
To: Antonetti, Matthew S <Matthew.S.Antonetti@ct.gov>
Cc: Ferron-Poole, Astread O. <Astread.Ferron-Poole@ct.gov>; Shaffer, Graham <Graham.Shaffer@ct.gov>
Subject: Re: Social Security Fairness Act Retroactive Payment Impact

Matt,

Thank you so much for your response. I did have a few follow up questions, which I have written in a different color below. Would you mind clarifying for me and just confirming, I want to be sure I understand completely.

Thank you so much for being so quick in responding as well, I appreciate your help and time.

From: Antonetti, Matthew S <Matthew.S.Antonetti@ct.gov>
Sent: Wednesday, April 2, 2025 12:12 PM
To: Amee J. Lunn <AJLunn@lunnesq.com>
Cc: Ferron-Poole, Astread O. <Astread.Ferron-Poole@ct.gov>; Shaffer, Graham <Graham.Shaffer@ct.gov>
Subject: Social Security Fairness Act Retroactive Payment Impact

Good afternoon Attorney Lunn,

Your email of Friday, March 28th was forwarded to my attention for review. We have discussed with DSS eligibility operations and provide the responses to your questions, below.

1. How are the lump sum retroactive payments to be treated and when do they need to be spent down by?
   Nursing home residents: If the total income, before receiving the SSA retroactive payment, is up to 300% of SSI benefit or $2,901 (categorically needy), the lump sum is counted as income in the month that is received, and then as available asset thereafter. Individuals in this group who receive the lump sum will see an increase in their patient liability amount (PLA) for the month of receipt. Any remaining funds

must be spent by the end of April (assuming the lump sum was received in March). To be clear - they will see an increase in the PLA for the portion of the lump sum that is income for that month, not the retroactive portion, which you are saying is an asset and will need to be spent down the month following (in our example, April)? Is this correct?

The full amount of the SSA retroactive payment received as a lump sum will be added to other income received on that month. Any remaining funds, must be spent by the end of the following month.

Examples: An institutionalized individual residing in a facility with a Medicaid rate of $9,000 has a pension of $2,000 and received a $10,000 SSA retroactive payment in March. Since the total combined income for March (pension $2,000 + SSA retroactive payment $10,000) *exceeds the Medicaid rate*, the PLA for March will be equal to the cost of care ($9,000). The remaining $3,000 must be spent by the end of April. However, if the same individual received a lump sum SSA payment of only $4,000, the PLA for the month of receipt would be $5,925 (pension $2,000 + lump sum $4,000 – patient need amount $75). Since the total calculated income for March is *less than the Medicaid rate*, the full lump sum must be paid toward the cost of care, subsequently there won't be any remaining funds that might place the individual over the asset limit and potentially cause Medicaid ineligibility.

For those with income above 300% of SSI benefit (medically needy), the lump sum will be counted as income for six months starting with the month of receipt. The PLA for these individuals will increase by 1/6 of the lump sum amount, up to the Medicaid monthly rate amount. Any remaining funds will be counted as available assets *after* the six-month period and must be spent down by the end of the following month. For these individuals, they will have due for the first six months - a 1/6 lump sum (which is the retroactive) + the additional new regular monthly payment amount of social security they will now be receiving, is this correct? Then after six months, they will just owe the increased PLA which factors in their increased income? **This is correct.**

Individuals receiving homecare services: The lump sum (SSA retroactive payment) is considered available asset and must be reduced by the end of the month following the month of receipt (*e.g.* if the lump sum was received in March, funds must be reduced by the end of April). Okay perfect thank you.

Are clients on the homecare program who are now over the income cap for eligibility, going to be given time to establish a pooled trust (some may first need to obtain conservatorships)? The increase in monthly benefit is considered available income, individuals who need to establish a pooled trust may do so *by the end of April*, again assuming the lump sum was received in March. Will there be allowances for individuals who may not have previously established a pooled trust but now need to do so but first need to go to Probate Court for a conservatorship because they do not have the requisite authority to established and fund a trust with PLAN? They will need additional time so it would be difficult to do by the following month since PLAN only meets once per month. **Unfortunately, while the agency understands the challenges presented, there will not be additional allowances or waivers to the treatment of these payments under eligibility rules. That said, an individual who is in the process of setting up a pooled trust and needs more time may request an extension of time to provide proof that the funds have been transferred to a pooled trust. As the individuals who are receiving these lump sum payments are generally retired teachers, firefighters, and police officers who receive regular pension payments, it is hopefully the case that many of these individuals have already established pooled trusts if they are currently receiving Medicaid home-and-community-based services.**

I trust that this information is helpful to both you and your clients.

Best regards,

Matt

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Connecticut Department of Social Services
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From: Amee J. Lunn <AJLunn@lunnesq.com>
Sent: Friday, March 28, 2025 3:00 PM
To: andrea.reeves@ct.gov <andrea.reeves@ct.gov>
Cc: Sandra L. Mascia <smascia@lunnesq.com>
Subject: Social Security Fairness Act Retroactive Payment Impact

Dear Commissioner Reeves,

I write to you as an elder law attorney, actively working to help and advocate for clients here in North Haven, Connecticut. We have received a sudden surge in calls from panicked clients who are on presently on the Connecticut Homecare Program for Elders and from family members how have loved ones receiving Title XIX Long Term Care benefits in nursing homes.

It is our understanding that the additional income would be treated as regular income in the months moving forward and would be contributed as applied income to a nursing home. However, the big concerns are:

1. How are the lump sum retroactive payments to be treated and when do they need to be spent down by?
2. Are clients on the homecare program who are now over the income cap for eligibility, going to be given time to establish a pooled trust (some may first need to obtain conservatorships)?

I am happy to share the reply on our statewide elder law list serve. However, NO ONE seems to know the answers and we need to know how to help our clients and reassure them.

Thank you kindly for your prompt attention and response to this inquiry.

Sincerely,

Amee J. Lunn, Esq.
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