



General Assembly

**Substitute Bill No. 58**

January Session, 2023



**AN ACT CONCERNING CONSERVATOR COMPENSATION BY  
MEDICAID APPLICANTS AND RECIPIENTS.**

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

1 Section 1. (NEW) (*Effective October 1, 2023*) (a) On or before December  
2 31, 2023, the Commissioner of Social Services shall amend the Medicaid  
3 state plan provisions governing the calculation of applied income, as  
4 defined in section 17b-261r of the general statutes, to permit a qualified  
5 deduction pursuant to 42 USC 1396a(r)(1)(A)(ii), as amended from time  
6 to time, for the following expenses related to representation of a  
7 Medicaid applicant or recipient: (1) Compensation of a conservator in  
8 the amount approved by the Probate Court or a minimum of one  
9 hundred twenty-five dollars per month for any accounting period  
10 continuing for at least a year, whichever amount is higher; (2) Probate  
11 Court filing fees and expenses under subdivision (7) of subsection (b) of  
12 section 45a-106a and sections 45a-108a and 45a-109 of the general  
13 statutes; (3) premiums for any probate bond required by the Probate  
14 Court; and (4) any other fiduciary expenses approved by the Probate  
15 Court, provided such deductions are permissible under federal law and  
16 are taken from applied income after all other deductions provided for  
17 in the Medicaid state plan.

18 (b) The provisions of this section shall be applied to conservator

19 expenses incurred on or after October 1, 2023, or the approval date of  
20 the Medicaid state plan amendment, whichever is later.

21 (c) Not later than December 31, 2024, and annually thereafter, the  
22 Commissioner of Social Services shall calculate the total amount  
23 deducted from the applied income of Medicaid applicants and  
24 recipients under subsection (a) of this section during the preceding fiscal  
25 year and inform the Probate Court Administrator, in writing, of the  
26 amount deducted. Not later than thirty days after receipt of the  
27 commissioner's calculation, the Probate Court Administrator shall  
28 transfer funds from the Probate Court Administration Fund to the  
29 Department of Social Services in an amount equal to one-half of the total  
30 amount deducted during the preceding fiscal year.

31 Sec. 2. Subsection (d) of section 17b-261 of the general statutes is  
32 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
33 *2023*):

34 (d) The transfer of an asset in exchange for other valuable  
35 consideration shall be allowable to the extent the value of the other  
36 valuable consideration is equal to or greater than the value of the asset  
37 transferred. The Commissioner of Social Services shall not treat any  
38 conservator compensation, fiduciary fee and expense approved by the  
39 Probate Court that is paid by a Medicaid applicant or recipient for  
40 services rendered by a conservator as an improper transfer of assets for  
41 the purpose of obtaining Medicaid eligibility, provided the applicant or  
42 recipient submits documentation to the commissioner demonstrating  
43 the services rendered were in accordance with Probate Court  
44 regulations and the compensation, fee and expense were for the fair  
45 market value of the services rendered.

46 Sec. 3. Subsection (a) of section 45a-594 of the general statutes is  
47 repealed and the following is substituted in lieu thereof (*Effective October*  
48 *1, 2023*):

49 (a) Compensation payable to the conservator or guardian of any

50 person who is supported wholly or in part by the state in any humane  
51 institution, or who is receiving benefits under any of the state's  
52 programs of public assistance, shall be based upon services rendered  
53 and shall not exceed five per cent of the gross income to the estate  
54 during the period covered by any account. The conservator or guardian  
55 shall be entitled to compensation of not less than [fifty] one hundred  
56 twenty-five dollars for any accounting period continuing for at least a  
57 year. If extraordinary services are rendered by any conservator or  
58 guardian, the court of probate, upon petition and hearing, may  
59 authorize reasonable additional compensation. A copy of the petition  
60 and notice of hearing shall be lodged in the office of the Commissioner  
61 of Administrative Services in Hartford at least ten days before the  
62 hearing. No commission or compensation shall be allowed on any  
63 moneys or other assets received from a prior guardian or conservator  
64 nor upon any amount received from liquidation of loans or other  
65 investments.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	New section
Sec. 2	<i>July 1, 2023</i>	17b-261(d)
Sec. 3	<i>October 1, 2023</i>	45a-594(a)

**HS**      *Joint Favorable Subst.*

**APP**     *Joint Favorable*