

Administrator
Washington, DC 20201

## MAR 0 1 2013

Roderick Bremby Commissioner Connecticut Department of Social Services 25 Sigourney Street Hartford, CT 06106-5033

## Dear Commissioner Bremby:

This letter is in response to the state of Connecticut's August 20, 2012, request for a new section 1115 Medicaid demonstration, entitled the "Medicaid Low-Income Adult Coverage Demonstration." This proposal seeks to make changes to Connecticut's Medicaid for Low-Income Adults program. The state currently covers individuals ages 19 to 64 years old with income at or below 55 percent of the federal poverty level (FPL) (\$6,144 per year for a single individual) with no asset limitations. Under the section 1115 demonstration proposal, the state seeks to impose an asset limit of \$10,000 and count parental assets and income above 185 percent of the FPL for individuals ages 19 through 25 who live with or are claimed by one or both parents as a tax dependent.

We are unable to approve the state's request because under section 1115(a) of the Social Security Act, demonstrations must promote the objectives of title XIX. After carefully reviewing the information provided by the state in its August 20, 2012, proposal and the state's November 5, 2012, responses to the Federal Review Team questions and after further discussions with the state, we have determined that Connecticut's demonstration proposal is not likely to assist in promoting the objectives of title XIX and, therefore, cannot be approved. As described in the state's proposal, the demonstration would eliminate coverage for as many as 13,381 very low-income individuals for an approximate one year period, which is not consistent with the general statutory objective to extend coverage to low-income populations.

Although we are not able to approve this proposal, we appreciate the challenges the state faces with addressing its fiscal budget gap and we are happy to continue to work with you and members of your staff on other Medicaid initiatives.

Sincerely

Marilyn Tavenner

Acting Administrator

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Cindy Mann, Director, CMCS Jennifer Ryan, CMCS cc:

Richard McGreal, ARA, Region I

Julie Sharp, CMCS