JAN 2 7 2016

A BILL FOR AN ACT

RELATING TO PERSONS WITH DISABILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	PART I		
2	SECTION 1. The legislature finds that Act 200, Session		
3	Laws of Hawaii 2012, established a joint legislative task force		
4	to explore the possibility of implementing a medicaid buy-in		
5	program for individuals with disabilities who are either not		
6	working or currently working and would like to earn more income,		
7	based upon Hawaii's current medicaid income and asset limits,		
8	subject to approval of the federal Centers for Medicare and		
9	Medicaid Services. The legislature notes that a significant		
10	portion of the population in Hawaii receives federal or state		
11	benefits because of disabling conditions. Moreover, current		
12	state programs and policies, including state-designed medicaid		
13	waiver programs, create disincentives for persons with		
14	disabilities to become employed, maintain employment, or		
15	increase their employment income.		
16	The legislature also finds that from 2005 through 2012,		
17	Hawaii was the recipient of a grant from the federal Centers for		

- 1 Medicare and Medicaid Services for the development of a medicaid
- 2 infrastructure program to design and implement a medicaid buy-in
- 3 program for individuals with disabilities who are employed or
- 4 desire to become employed and purchase medicaid coverage
- 5 authorized under the Ticket to Work and Work Incentives
- 6 Improvement Act of 1999 (P.L. 106-170). Before 1999, other
- 7 potential federal options for the creation of a medicaid buy-in
- 8 program included the Balanced Budget Act of 1997 and a waiver
- 9 pursuant to section 1115 of the Social Security Act, as codified
- 10 under title 42 United States Code section 1315.
- 11 The legislature further finds that it is advantageous for
- 12 economic development in the State and in the best interests of
- 13 disabled Hawaii's citizens to establish programs and policies
- 14 that encourage employment. It is the intent of the legislature
- 15 that all state agencies work with citizens to identify and
- 16 remove barriers to employment for persons with disabilities.
- 17 Adults with disabilities need adequate health insurance, but
- 18 options for insurance coverage are limited, even with the
- 19 federal Patient Protection and Affordable Care Act.

1	The purpose of this Act is to encourage individuals with		
2	disabilities to gain employment and improve their employment		
3	opportunities by establishing:		
4	(1) A two-year working disabled adults pilot program in		
5	which medicaid eligibility for workers with		
6	disabilities will be expanded; and		
7	(2) A medicaid buy-in program for workers with		
8	disabilities to be implemented once the working		
9	disabled adults pilot program has terminated.		
10	PART II		
11	SECTION 2. (a) The department of human services shall		
12	establish the working disabled adults pilot program to create a		
13	new medicaid eligibility group for workers with disabilities.		
14	The purpose of the working disabled adults pilot program is to		
15	support employment of individuals with disabilities by expanding		
16	their access to medicaid.		
17	(b) A participant in the working disabled adults pilot		
18	program shall:		
19	(1) Be a resident of the State;		
20	(2) Be at least nineteen years of age but less than sixty-		
21	five years of age;		

- 1 (3) Meet medicaid citizenship requirements;
- 2 (4) Have a disability, as defined by the Social Security
- 3 Administration; and
- 4 (5) Not be eligible for any other medicaid eligibility.
- 5 (c) The department of human services shall use the same
- 6 eligibility criteria for the working disabled adults pilot
- 7 program as for the medicaid aged, blind, and disabled group,
- 8 except that the department shall:
- 9 (1) Disregard earned income in an amount determined by the
- department, but not less than \$1,000 per month; and
- 11 (2) Have an asset limit as determined by the department,
- 12 but not less than the asset limit for the medicaid
- aged, blind, and disabled group.
- 14 (d) The working disabled adults pilot program shall
- 15 terminate on June 30, 2019.
- 16 SECTION 3. There is appropriated out of the general
- 17 revenues of the State of Hawaii the sum of \$ or so much
- 18 thereof as may be necessary for fiscal year 2016-2017 and the
- 19 same sum or so much thereof as may be necessary for fiscal years
- 20 2017-2018 and 2018-2019 for the working disabled adults pilot
- 21 program to support employment of individuals with disabilities

- 1 by expanding their access to medicaid; provided that the
- 2 department is encouraged to collaborate with the University of
- 3 Hawaii center on disability studies to prepare and conduct
- 4 outreach relating to the working disabled adults pilot program,
- 5 technical assistance, and evaluation.
- 6 The sums appropriated shall be expended by the department
- 7 of human services for the purposes of this Act.
- 8 PART III
- 9 SECTION 4. Chapter 346, Hawaii Revised Statutes, is
- 10 amended by adding a new section to be appropriately designated
- 11 and to read as follows:
- 12 "§346- Medicaid buy-in program for workers with
- 13 disabilities. (a) There is established within the department
- 14 the medicaid buy-in program for workers with disabilities. The
- 15 purpose of the medicaid buy-in program for workers with
- 16 disabilities is to support employment of individuals with
- 17 disabilities by expanding their access to medicaid.
- 18 (b) To qualify for the medicaid buy-in program for workers
- 19 with disabilities, a person shall:
- 20 (1) Be a resident of the State;
- 21 (2) Be at least eighteen years of age;



1	<u>(3)</u>	Meet medicaid citizenship requirements;
2	(4)	Have a disability, as defined by the Social Security
3		Administration;
4	<u>(5)</u>	Be gainfully employed in either part-time or full-time
5		work; provided that all earnings shall be reported to
6		the department of labor and industrial relations;
7	(6)	Have income that does not exceed three hundred per
8		cent of the federal poverty level; and
9	(7)	Have assets that do not exceed an amount established
10		by the department; provided that the limitation on
11		assets established by the department shall not be less
12		than \$25,000.
13	<u>(c)</u>	The medicaid buy-in program for workers with
14	disabilit	ies may have an enrollment limit as determined by the
15	departmen	t; provided that the limit shall not be less than two
16	hundred i	ndividuals.
17	<u>(d)</u>	The department may require a person participating in
18	the medic	aid buy-in program for workers with disabilities to pay
19	<u>a premium</u>	or other cost-sharing charges in a manner as
20	determine	ed by the department.

1	(e) The department shall adopt rules pursuant to chapter
2	91 necessary for the purposes of this section."
3	PART IV
4 ,	SECTION 5. The department of human services shall submit a
5	report to the legislature no later than twenty days prior to the
6	convening of the 2018 regular session, which shall provide an
7	update on the working disabled adults pilot program and making
8	recommendations on whether to implement the medicaid buy-in
9	program for workers with disabilities pursuant to section 4 of
10	this Act. The report shall include the department's findings,
11	recommendations, and any proposed amendments to the program as
12	proposed by section 4 of this Act and shall specify resources
13	needed to implement the program.
14	SECTION 6. New statutory material is underscored.
15	SECTION 7. This Act shall take effect on July 1, 2016;
16	provided that part II shall be repealed on June 30, 2019;
17	provided further that part III shall take effect on July 1,
18	2019.
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INTRODUCED BY: Rosaly H Bake

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Report Title:

Working Disabled Adults Pilot Program; Medicaid Buy-in Program for Workers with Disabilities; Appropriation

Description:

Establishes within the department of human services a two-year working disabled adults pilot program to be repealed on June 30, 2017. Establishes a medicaid buy-in program for workers with disabilities to be implemented once the pilot program is complete. Appropriates funds for the working disabled adults pilot program.

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SB LRB 16-0465.doc