

Honolulu, Hawaii
FEB 17 2026

RE: H.B. No. 1668
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Human Services & Homelessness, to which was referred H.B. No. 1668 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose of this measure is to require the Department of Human Services to exclude full earned income for individuals with disabilities who are between the ages of sixteen and sixty-four years when determining eligibility for Medicaid.

Your Committee received testimony in support of this measure from the Hawai'i State Council on Developmental Disabilities; Hawaii Disability Rights Center; Hawai'i Self-Advocacy Advisory Council; and six individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that existing Medicaid eligibility rules create a harmful "benefits cliff" that discourages employment by forcing individuals with disabilities to choose between earning income and retaining life-sustaining Medicaid services. This measure addresses this structural barrier by allowing individuals with disabilities to earn income without jeopardizing their Medicaid coverage, thereby supporting employment, independence, and self-determination.



Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1668, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1668, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services &
Homelessness,



LISA MARTEN, Chair



Record of Votes of the Committee on Human Services & Homelessness

Bill/Resolution No.: HB 1668	Committee Referral: HSH, FIN	Date: 2/5/2026		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSH Members	Ayes	Ayes (WR)	Nays	Excused
1. MARTEN, Lisa (C)	X			
2. OLDS, Ikaika (VC)	X			
3. AMATO, Terez	X			
4. HARTSFIELD, Daisy	X			
5. KEOHOKAPU-LEE LOY, Sue L.	X			
6. TAKAYAMA, Gregg	X			
7. TAKENOUCI, Jenna	X			
8. ALCOS III, David	X			
9. GARCIA, Diamond		X		
TOTAL (9)	8	1		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				