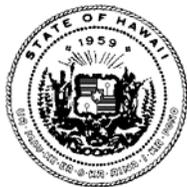


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

February 25, 2026

TO: The Honorable Representative Chris Todd, Chair
House Committee on Finance

FROM: Ryan I. Yamane, Director

SUBJECT: **HB 1668 HD1 – RELATING TO MEDICAID.**

Hearing: February 26, 2026, Time 2:00 p.m.
Conference Room 308 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the bill's intent and offers comments. DHS is pleased to report that the Med-QUEST Division (MQD) has already submitted State Plan Amendment (SPA) 25-0016 to CMS for approval. SPA 25-0016 amends the current Ticket to Work Program, which was implemented through SPA 21-004, Ticket to Work Basic, in May 2021. The amendment removes both income and asset limits for individuals who meet the program's requirements. CMS has given preliminary approval of this amendment, with an effective date of January 1, 2026. This [amendment](#) was also posted on December 4, 2025, via public notice.

Thank you for the opportunity to provide testimony on this measure.



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

February 26, 2026

The Honorable Chris Todd, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Chair Todd and Committee Members:

SUBJECT: HB1668 HD1, Relating to Medicaid

The Hawai'i State Council on Developmental Disabilities (DDC) submits this testimony in **SUPPORT of HB1688 HD1**, which requires the Department of Human Services to allow a full earned income disregard for individuals with disabilities who are between the ages of sixteen and sixty-four years when determining eligibility for Medicaid. Takes effect upon approval by the Centers for Medicare and Medicaid Services.

This measure represents a critical step toward fulfilling the original intent of Kal's Law and addressing one of the most persistent structural barriers facing people with disabilities who want to work. For many people with disabilities, Medicaid is not simply health insurance, it is life-sustaining. Medicaid funds home- and community-based services, personal care assistance, skilled nursing, medical equipment, and supports that enable people to eat, manage medications, breathe safely, and live outside institutions. When increased earnings threaten Medicaid eligibility, people with disabilities are placed in an impossible position: choosing between employment and survival. No one should be forced to decide between working and staying alive.

Current policy creates a benefits cliff that traps people with disabilities in poverty. Even modest increases in earned income can result in loss of Medicaid coverage, even though employer-sponsored insurance does not replace the long-term services and supports Medicaid provides. As a result, people cap their hours, decline promotions, or leave jobs altogether, not because they lack motivation or capacity, but because the system penalizes participation. This is not a failure of individuals; it is a failure of policy.

This measure directly addresses this contradiction by allowing people with disabilities to earn income without jeopardizing access to essential Medicaid services. By disregarding earned income for eligibility purposes, the measure aligns Medicaid policy with employment, independence, and self-determination. It recognizes that work is not about “getting off benefits,” but about building stability, dignity, and community inclusion. These are goals the State of Hawai‘i has repeatedly endorsed.

Importantly, enabling people with disabilities to work is also fiscally responsible. Employment supports long-term stability, reduces reliance on crisis care, and helps people remain safely housed and connected to their communities. Policies that support work without risking essential care prevent far more costly outcomes, including institutionalization and emergency interventions.

HB 1668 HD1 removes a barrier that never should have existed. It affirms that people with disabilities should not be punished for contributing to their communities and that access to life-sustaining care should never be contingent on remaining unemployed.

Hawai‘i State Council on Developmental Disabilities **strongly supports HB1668 HD1.**

Thank you for the opportunity to submit testimony.

Sincerely,



Daintry Bartoldus, Executive Administrator

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE



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STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831

Testimony in SUPPORT of HB1668 HD1
Relating to Medicaid

[COMMITTEE ON FINANCE](#)

Rep. Chris Todd, Chair
Rep. Jenna Takenouchi, Vice Chair

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing: Thursday, February 26, 2026, 2:00 P.M. Conference Room 308

1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
2 of Health strongly supports HB1668, HD1.

3 **Purpose and Justification:** This measure requires that Kal's Law is implemented and addresses
4 the barriers faced by individuals with disabilities. Current policy creates benefit cliffs that trap
5 people with disabilities in poverty. As a result, individuals with disabilities, who could be a
6 productive solution to a current workforce shortage, are unable to work full time, unable to
7 accept promotions, and leaving the workforce all together. That was not the intent of the law.
8 HB1668 removes those barriers and allows individuals with disabilities to be productive
9 members of society thus seeing Kal's Law through to fruition.

10 **Recommendation:** We strongly support the intent of this measure and defer to DHS for
11 implementation. Thank you for the opportunity to testify.

HB-1668-HD-1

Submitted on: 2/24/2026 10:44:53 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen Dantzig	United Cerebral Palsy Association of Hawai'i	Support	Written Testimony Only

Comments:

Stephen Albert Dantzig, Psy. D.

Education and Community Outreach Program Manager, United Cerebral Palsy of Hawai'i

email: stephen.dantzig@unitedcerebralpalsyhawaii.org

“I was once asked what I do for a living. I pondered the question for several minutes while I thought back on my various careers. The response that eventually came to me was, ‘I am an educator.’”

Re: HB 1668

My name is Dr. Stephen Dantzig. I am the part-time Education and Community Outreach Program Manager for the United Cerebral Palsy Association of Hawai'i. I am writing on behalf of UCPA Hawai'i in strong support of HB 1668 which aims to lift the salary limits for Medicaid eligibility.

UCPA Hawai'i has been a staunch advocate and direct service provider for people with disabilities in Hawai'i for 66 years. I, personally, worked with school students with severe disabilities for over 40 years as a school psychologist while also living with cerebral palsy. The guiding philosophy of United Cerebral Palsy is “Life Without Limitations for People with Disabilities.” My personal interpretation of this mission is the fundamental right of all human beings to live life to absolute fullest while recognizing that some activities are beyond the particular person’s skills (regardless of any disability). One of these rights is to seek gainful employment and financial independence to the extent possible.

We have reviewed the written testimonies already submitted and whole-heartedly agree with all comments made. We do not wish to repeat what has been said, but certain points need to be reiterated, especially the point of the limiting nature of salary caps and Medicaid eligibility. The possible argument that employees may have access to health coverage through employment and therefore do not need Medicaid is simply not valid: Most private or employment-based health insurance plans do not provide the services that Medicaid offers. The fact that someone might require, for example, skilled nursing or personal assistant care, does not negate the possibility of viable employment with its private and community benefits. A salary cap that threatens the very care needed to live indisputably systemically *limits* the potential for that person to live *their life to the fullest!* It is an idea that strongly goes against the driving theme of UCP, UCPA Hawai'i, and the author of this testimony. We agree with previous testimony that "Kal's Law" is a good start but does not sufficiently eliminate these systemic limitations.

I look back on my career and contributions to society as a school psychologist, photographer, author, university professor, owner of a photography school and now researcher with a sense of pride and accomplishment. The idea that none of these careers would be possible if I needed a certain level of care is unthinkable. I join UCPA Hawai'i and urge the passage of HB 1668.



DISABILITY AND COMMUNICATION ACCESS BOARD

Ka 'Oihana Ho'oka'a'ike no ka Po'e Kīnānā

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • (808) 204-2466 (VP)

February 26, 2026

TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

House Bill 1668 House Draft 1– Relating to Medicaid

The Disability and Communication Access Board (DCAB) supports House Bill 1668 House Draft 1– Relating to Medicaid. This bill requires the Department of Human Services to allow a full earned income disregard for individuals with disabilities who are between the ages of sixteen and sixty-four years when determining eligibility for Medicaid. This takes effect upon approval by the Centers for Medicare and Medicaid Services. Effective 7/1/3000.

By expanding access to Medicaid, this bill will help individuals with disabilities achieve greater financial independence and access essential healthcare services, without the fear of losing coverage as they increase their earnings. It is a vital step toward ensuring that individuals with disabilities have the support they need to work and thrive in the community.

DCAB supports this bill to improve the quality of life and economic opportunities for individuals with disabilities in Hawaii.

Thank you for the opportunity to testify.

Respectfully submitted,

KRISTINE PAGANO
Acting Executive Director

HB-1668-HD-1

Submitted on: 2/24/2026 5:55:52 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Louis Erteschik	Hawaii Disability Rights Center	Support	Remotely Via Zoom

Comments:

We are in strong support of this Bill. One of the main goals of the disability movement is to integrate individuals with disabilities into competitive employment. While there are many barriers and challenges, one that has stood out is the potential loss of Medicaid waiver benefits that many of these individuals need in order to function properly in their day to day life.

We were very involved with the passage of Kal’s Law and we appreciate that that was a good step at the time. However, time has also shown that the law has limitations as it does not address what happens when the person with the disability achieves a higher level of success in their employment. At the time it was passed, capping the allowable earnings at a rate tied to the Federal Poverty Level may have seemed like a reasonable compromise. However, experience has demonstrated that the cap has created artificial limitations that prevent individuals from maximizing their potential. We know of cases where individuals operating under the Income Disregard have opportunities to earn higher salaries or receive promotions or otherwise advance their career. The goal and policy of the law should be to encourage that. Instead, the current law forces them into a difficult choice as they cannot afford to lose their valuable Medicaid benefits. They should be incentivized to be as successful as they can be- not penalized.

Lifting the cap on the Earned Income Disregard will go a long way towards fulfilling the promise of community integration for people with disabilities.



www.AlohaILHawaii.org

Feb 24, 2026

MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

EXECUTIVE DIRECTOR

Roxanne U. Bolden

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The Honorable Chris Todd, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

SUBJECT: HB1668 HD1, Related to Medicaid

Chair and Members of the Committee:

Aloha Independent Living Hawaii (AILH) respectfully submits testimony in **strong support of HB1668 HD1.**

HB1668 HD1 requires the Department of Human Services to allow a full earned income disregard for individuals with disabilities between the ages of sixteen and sixty-four when determining Medicaid eligibility. This measure addresses a structural disincentive that limits workforce participation among individuals who rely on Medicaid-funded home-and community-based services (HCBS).

Under the current framework, individuals with disabilities who depend on Medicaid home-based care often face a benefits cliff: earning additional income may result in the loss of essential healthcare and support services. As noted in the bill, despite the enactment of “Kal’s Law,” individuals remain unable to advance in employment without risking Medicaid eligibility. This dynamic discourages employment growth and constrains economic mobility.

From a fiscal perspective, this is not merely a social policy issue; it is an economic efficiency issue. When individuals are prevented from increasing earnings due to fear of losing Medicaid coverage, the State loses potential tax revenue, reduces labor force participation, and perpetuates reliance on income-based programs. Allowing a full earned income disregard encourages workforce advancement while maintaining access to services that make employment possible.

Home- and community-based services are foundational to employment for many individuals with disabilities. Without personal assistance services, durable



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EXECUTIVE DIRECTOR

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medical equipment (DME), and ongoing medical support, employment may not be sustainable. Policies that inadvertently force individuals to choose between employment and healthcare undermine both workforce development and long-term fiscal stability.

This measure also aligns with the State's Workforce Development Unified Plan, particularly Goal 4: Expand Inclusive Workforce Participation. The State has identified individuals with disabilities as a key population within its inclusive workforce strategy. However, workforce inclusion cannot be fully realized if Medicaid eligibility rules penalize income growth. HB1668 HD1 strengthens policy alignment across departments by ensuring that healthcare eligibility structures do not contradict workforce development goals.

Importantly, preserving Medicaid eligibility for working individuals with disabilities also reduces the risk of institutionalization. Institutional care is significantly more costly than HCBS. By enabling individuals to remain employed while receiving community-based supports, the State supports cost containment over time.

AILH recognizes that implementation of this measure is contingent upon approval by the Centers for Medicare and Medicaid Services. We encourage the Department of Human Services to work proactively with CMS to secure approval and to provide clear guidance to beneficiaries to ensure smooth implementation.

HB1668 HD1 removes a structural barrier to employment advancement, aligns with the State's inclusive workforce goals, and supports fiscally responsible community-based care.

AILH respectfully urges the Committee to advance this measure.

Thank you for the opportunity to testify.

Aloha,

Roxanne Bolden
Executive Director

HB-1668-HD-1

Submitted on: 2/25/2026 9:41:55 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Kilgore	Full Life Hawai'i	Support	Written Testimony Only

Comments:

Dear Chair Todd and Committee Members,

I am submitting testimony in support of HB1688 HD1, which requires the Department of Human Services to allow an income disregard for individuals with disabilities when determining Medicaid eligibility.

We support numerous people with developmental disabilities whose families are terrified about their loved ones' dreams for full employment, because of the prospect of losing Medicaid due to income restrictions.

Many people with developmental disabilities require lifelong and life-sustaining services that are provided only through Medicaid. This includes home and community-based services, personal care, nursing services, medical equipment, and other supports that prevent them from becoming isolated in costly institutional settings.

Medicaid income eligibility requirements force people with disabilities to live in poverty, living without universal human rights such as an adequate standard of living, housing, education, employment, and ownership of property. People should not be forced to choose between an equitable standard of living and support services only covered by Medicaid.

Mahalo for the opportunity to testify.



The Honorable Chris Todd, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Chair Todd and Committee Members:

SUBJECT: HB1668 HD1, Relating to Medicaid

The Hawai'i Self-Advocacy Advisory Council supports HB1688 HD1. This bill would require the Department of Human Services to ignore all earned income when deciding Medicaid eligibility for people with disabilities ages 16 to 64. It would take effect once approved by federal Medicaid authorities.

This bill is important because it fixes a long-standing problem in the system. Many people with disabilities rely on Medicaid not just for medical care, but for the services that allow them to live safely in their homes and communities—things like personal care, skilled nursing, medical equipment, and help with daily activities. Losing Medicaid can mean losing the ability to eat safely, take medications, breathe properly, or avoid institutionalization.

Right now, people with disabilities can lose Medicaid if they earn even a small amount more at work. Employer health insurance does not cover the long-term services and supports that Medicaid provides. Because of this, many people turn down promotions, reduce their hours, or stop working altogether—not because they want to, but because the system forces them to choose between working and keeping the care they need to survive.

HB1688 HD1 fixes this by allowing people with disabilities to work without risking their Medicaid coverage. It aligns Medicaid rules with the goals of independence, stability, and

community inclusion. Work should not be about “getting off benefits”—it should be about building a secure and dignified life.

Supporting people with disabilities in the workforce is also financially smart. When people can work and keep their services, they are less likely to need emergency care, institutional placement, or other costly interventions. This bill removes a barrier that should never have existed and affirms that people with disabilities should not be punished for contributing to their communities. Access to essential care should never depend on staying poor or unemployed.

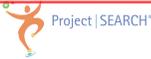
Hawai'i Self-Advocacy Advisory Council **strongly supports HB1668 HD1.**

Thank you for the opportunity to submit testimony.

A handwritten signature in black ink, appearing to read "T. Renken". The signature is fluid and cursive, with a long horizontal stroke at the beginning and a large, sweeping flourish at the end.

Timothy Renken,

President, Hawaii Self-Advocacy Advisory Council



The Honorable Chris Todd, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawaii 96813

Dear Chair Todd, and Committee Members:

SUBJECT: Project SEARCH Testimony in Support of HB1668 HD1

What is Project SEARCH?

Project SEARCH is a high-intensity, school-to-work program for DOE students (ages 18–21) with intellectual and developmental disabilities. Since 2017, our Hawaii sites—**Kaiser Permanente Moanalua, Pali Momi Medical Center, and Disney Aulani**—have provided the immersive vocational training necessary for these young adults to enter the competitive workforce.

The Problem: The "Benefits Cliff"

Our interns work tirelessly to gain professionalism and soft skills. However, we face a recurring and tragic obstacle:

- **Fear of Loss:** Families often ask their children to **decline job offers** because the income would exceed the threshold for SSI or Medicaid.
- **Resource Inequity:** Students who thrive in our program are essentially "punished" for their success by losing the healthcare coverage they need to remain healthy and employed.
- **Economic Impact:** When we limit a student's hours to keep them under a cap, we are limiting their contribution to Hawaii's economy and their own self-sufficiency.

Why HB 1668 HD1 is Essential

By allowing workers with disabilities to maintain Medicaid coverage while earning a living wage, accept promotions, Hawaii can:

1. **Promote Independence:** Encourage interns to accept full-time, competitive employment.
2. **Support Families:** Remove the "all-or-nothing" choice between health insurance and a career.
3. **Strengthen the Workforce:** Allow local businesses to hire and retain dedicated, trained employees from the Project SEARCH pipeline.

"It is a disservice to our youth to train them for a finish line they are legally afraid to cross. HB1668 HD1 ensures that hard work is rewarded, not penalized."

The Honorable Chris Todd, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Chair Todd and Committee Members:

SUBJECT: HB1668 HD1, Relating to Medicaid

Dear Representative Marten, and Committee Members:

SUBJECT: H.B. 1668 HD1 Relating to Medicaid

My name is Deziree Tacub and I am from Kauai; I am in support of H.B.1668 HD1. I have a disability and I work part time at Pizza Hut. I have been asked to work full time but cannot because of Medicaid. I would make too much money and would lose my medical benefits. If I lose Medicaid, the cost of my doctor's bills would be a hardship for me. I want to work more, so I can afford to buy the things I need. I would also lose my Home and Community Based Services, I have a person who supports me weekly, they help me work on skills like cooking and grocery shopping. I want to be independent, but it is hard when I can't earn enough money.

Thank you for allowing me to provide testimony in support of HB 1668 HD1.

HB-1668-HD-1

Submitted on: 2/24/2026 2:34:08 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Iris Xiao	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Chris Todd, Vice Chair Jenna Takenouchi, and Committee Members,

My name is Iris Xiao. Thank you for letting me share my testimony. **I am writing in support of HB1668.** I live in Oahu and I am a self-advocate with the Self-Advocacy Advisory Council.

This bill is important to me because without the Medicaid Disregard, right now, working and making money makes me feel uncertain, and it feels unfair. I really would like to work a job so that I could be more a part of the community and can earn my own money. As someone with disabilities, I often need more support to help me work. If I were to work, it would matter how much money I make. If the Medicaid income disregard were passed, I would feel more secure, and I would be determined to earn money to support myself and have a more positive perspective on life.

I am in support of HB1668.

Thank you for listening and for your time,

Iris Xiao

HB-1668-HD-1

Submitted on: 2/24/2026 3:02:11 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dominic Gawrichevsky	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Chris Todd, Vice Chair Jenna Takenouchi, and Committee Members,

My name is Dominic Gawrichevsky. Thank you for letting me share my testimony. **I am writing in support of HB1668.** I live in Maui. I am a self-advocate with the Maui Self-Advocacy Advisory Council.

This bill is important to me because I have my own business, it is called Wood Burning by Dom, I am an artist, and I paint watercolors. I am very good at painting the world. I will also be writing a book about Hawaiian Culture, Energy, and King Kamehameha. Right now, I am concerned about making money. I am afraid of the state taking away my friends and my Medicaid benefits. I would like to take my business more seriously and make more money. The Medicaid Income Disregard will help me by giving me the chance to better my life, give to the community, and continue to share love through my art while keeping my Medicaid.

I am in support of HB1668.

Thank you for listening and for your time.

DG

HB-1668-HD-1

Submitted on: 2/24/2026 11:24:00 PM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Support

1668 HB RELATING TO MEDICAID.

26 February 2026

Dear Chair Todd, Vice Chair Takenouchi, and Community Members,

Thank you for giving me the opportunity to share my story as a Hawai'i resident living with a disability and to explain how HB 1668 for a Medicaid Income Disregard, would be life-changing for myself and others with disabilities.

HB 1668 would require the Department of Human Services to allow a full earned income disregard for individuals with disabilities between the ages of sixteen and sixty-four years when determining eligibility for Medicaid. It would take effect upon approval by the Centers for Medicare and Medicaid Services. I am writing this testimony in support of HB 1668.

My name is Janelle Fiesta, and I was born and raised in Honolulu, Hawai'i. I was diagnosed with a rare neuromuscular disease called Spinal Muscular Atrophy (SMA) at one year old. I am now 30 years old, and I have a lot more life to live.

As a result of SMA, I have lost most of my motor function and cannot perform many physical tasks independently. Activities such as getting out of bed, using the bathroom, bathing, dressing, and getting to work all require assistance. I use a power wheelchair to navigate the world, and I rely on caregivers every day to help me with activities of daily living.

Because of this, Medicaid is essential to my survival. Through Medicaid, I receive caregiving attendant services that make it possible for me to live and work in the community, and I am deeply grateful for this support. Despite my disability, I live a full and meaningful life. I am surrounded by supportive family and friends, have a loving partner, and hold hopes and goals for my future like anyone else.

One of my proudest accomplishments is my career as an Equal Employment Opportunity (EEO) Specialist. I enjoy helping others and learning about disability law and policy. I am able to work independently using a computer and communicate effectively with colleagues and customers. I have been an EEO practitioner for nearly five years and hope to continue growing professionally. However, employer-based insurance does not cover caregiving attendant services, and my income alone cannot support the cost of daily care without Medicaid.

Current Medicaid policy requires people with disabilities to remain at or near poverty-level income in order to maintain coverage. This places working people with disabilities in an impossible position: we must limit our earnings to preserve access to the services that keep us alive. As a result, many are forced to reduce work hours, decline promotions, or avoid

employment altogether. While this may not be the intent of the policy, it ultimately discourages workforce participation and undermines independence and stability.

For me, Medicaid is not temporary support; it is a lifelong necessity. “Getting off benefits” is neither realistic nor appropriate, because disability-related medical needs do not disappear with employment or modest income. Work provides purpose and opportunity, but it does not eliminate the need for essential care.

HB 1668 is about dignity, equity, and opportunity. It would allow people with disabilities who want to work and build careers to do so without risking the loss of critical Medicaid services. It affirms our right to earn income, plan for the future, and make decisions based on our goals rather than outdated eligibility rules.

For these reasons, I respectfully ask that you consider passing HB 1668.

Thank you for your time and consideration.

Very Respectfully,

Janelle Fiesta

HB-1668-HD-1

Submitted on: 2/25/2026 11:43:39 AM

Testimony for FIN on 2/26/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee,

My name is Jackie Keefe and I am **in strong support of HB1668 HD1**, which requires the Department of Human Services to allow a full earned income disregard for individuals with disabilities who are between the ages of sixteen and sixty-four years when determining eligibility for Medicaid.

There often seems to be a lack of understanding about how this healthcare program works. Individuals with disabilities often have special needs that are not met by regular insurance, and this bill would allow for individuals who would like to participate in the workforce to do so without fear of losing insurance coverage.

Current policy creates a benefits cliff that traps people with disabilities in poverty. Even modest increases in earned income can result in loss of Medicaid coverage, even though employer-sponsored insurance does not replace the long-term services and supports Medicaid provides. As a result, people cap their hours, decline promotions, or leave jobs altogether, not because they lack motivation or capacity, but because the system penalizes participation. This is not a failure of individuals; it is a failure of policy.

This measure directly addresses this contradiction by allowing people with disabilities to earn income without jeopardizing access to essential Medicaid services. By disregarding earned income for eligibility purposes, the measure aligns Medicaid policy with employment, independence, and self-determination. It recognizes that work is not about “getting off benefits,” but about building stability, dignity, and community inclusion. These are goals the State of Hawai‘i has repeatedly endorsed.

Importantly, enabling people with disabilities to work is also fiscally responsible. Employment supports long-term stability, reduces reliance on crisis care, and helps people remain safely housed and connected to their communities. Policies that support work without risking essential care prevent far more costly outcomes, including institutionalization and emergency interventions.

Please stand for equity and **pass HB1668 HD1!**

Mahalo for the opportunity to testify.

Jackie Keefe, Lahaina