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# A BILL FOR AN ACT

RELATING TO MEDICAID.

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

1 SECTION 1. Chapter 346, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "§346- QUEST-spenddown program; eligibility. In  
5 determining eligibility due to excess income for the  
6 QUEST-spenddown program, the department shall apply a medically  
7 needy standard that is equal to the current federal poverty  
8 level for a family of the same size."

9 SECTION 2. Section 346-14, Hawaii Revised Statutes, is  
10 amended by amending subsection (16) to read as follows:

11 "(16) Subject to the appropriation of state funds and  
12 availability of federal matching assistance, establish  
13 the income eligibility level for the medically needy  
14 program at one hundred thirty-three per cent of the  
15 assistance allowance. In determining eligibility  
16 under this section, the department shall disregard an  
17 amount of income equal to the difference between one  
18 hundred thirty-three per cent of the assistance



1           allowance and one hundred per cent of the federal  
 2           poverty level, as adjusted annually by the federal  
 3           government, for a family of the size applying for  
 4           assistance."

5           SECTION 3. The department of human services shall not take  
 6 any action to remove pharmaceutical benefits management from  
 7 managed care plans that provide health care coverage for Hawaii  
 8 medicaid beneficiaries."

9           SECTION 4. There is appropriated out of the general  
 10 revenues of the State of Hawaii the sum of \$                   , or so  
 11 much thereof as may be necessary for fiscal year 2006-2007 for  
 12 the QUEST-spenddown program.

13           The sum appropriated shall be expended by the department of  
 14 human services for the purposes of this Act.

15           SECTION 5. New statutory material is underscored.

16           SECTION 6. This Act shall take effect on July 1, 2006.

**Report Title:**

Medicaid; Cost Share Program

**Description:**

Statutorily requires the Medicaid spend-down level to be equal to the current federal poverty level. (SD1)

