

STAND. COM. REP. NO.

3096

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 2043  
H.D. 2  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 2043, H.D. 2, 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 set the medically needy income standard at the maximum allowed under federal Medicaid requirements.

Your Committee finds that this measure will expand eligibility for medical assistance programs for medically needy residents who do not meet current income limitations.

The Department of Human Services, the Legal Aid Society of Hawaii, AARP Hawaii, and the Healthcare Association of Hawaii submitted testimony in support of this measure.

The Legal Aid Society of Hawaii described changes to the federal regulations governing eligibility determination for medical assistance programs, which authorize states to use less restrictive income and resource methodologies under section 1902(r)(2) of the Social Security Act. This means that states can elect to disregard different kinds or greater amounts of income and resources to determine eligibility.

Accordingly, your Committee has amended this measure by replacing the proposed new section to chapter 346, Hawaii Revised

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Statutes, with language amending section 346-14(16). Specifically, your Committee added a provision directing the Department of Human Services to disregard an amount of an applicant's income equal to the difference between one hundred thirty-three percent of the assistance allowance and one hundred percent of the federal poverty level, as adjusted annually by the federal government, for medically needy assistance programs. Your Committee notes that this directive remains subject to existing provisions regarding the appropriation of state funds and the availability of federal matching assistance.

Your Committee also has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2043, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2043, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
SUZANNE CHUN OAKLAND, Chair



