
A BILL FOR AN ACT

RELATING TO PERSONS WITH DISABILITIES.

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

1 SECTION 1. The legislature finds that working-age adults
2 with disabilities need adequate health insurance, but their
3 options for insurance coverage are limited, even with the
4 federal Affordable Care Act. Many persons who have part-time
5 jobs may not be covered through their employer prepaid health
6 care insurance or employer-sponsored health insurance, which
7 forces them to turn to government-sponsored programs, such as
8 medicaid. However, persons who earn more than the allowable
9 amount will be ineligible for medicaid coverage, especially
10 those who receive unearned income who have not paid into private
11 or public disability insurance programs such as social security
12 disability insurance.

13 The medicaid buy-in programs, enabled by the federal
14 Balanced Budget Act of 1997 and the federal Ticket to Work and
15 Work Incentives Improvement Act of 1999, allow working adults
16 with disabilities, who do not have employer prepaid or employer-
17 sponsored health care coverage or who earn more than the
18 allowable ceiling, to obtain medicaid coverage. The medicaid



1 buy-in programs also help persons who need secondary coverage
 2 through medicaid, including persons with medicare. In return,
 3 recipients "buy into" the medicaid program, typically by paying
 4 premiums based on income. As of December 31, 2008, forty-two
 5 states were operating a medicaid buy-in program to extend
 6 medicaid coverage to working persons with disabilities, with
 7 total nationwide enrollment of more than ninety thousand
 8 persons.

9 The purpose of this Act is to:

- 10 (1) Establish a medicaid buy-in program for working
 11 persons with disabilities; and
- 12 (2) Allow the president of the senate and the speaker of
 13 the house of representatives to establish from time to
 14 time, a joint legislative task force on medicaid to
 15 examine issues relating to medicaid shortfalls,
 16 including the medicaid buy-in program for working
 17 people with disabilities.

18 SECTION 2. The Hawaii Revised Statutes is amended by
 19 adding a new chapter to be appropriately designated and to read
 20 as follows:

21 "CHAPTER

22 JOINT LEGISLATIVE TASK FORCE ON MEDICAID



1 § -1 Joint legislative task force on medicaid; authority
2 to establish. The president of the senate and the speaker of
3 the house of representatives may, from time to time, establish a
4 joint legislative task force on medicaid to examine issues
5 relating to medicaid shortfalls, including the medicaid buy-in
6 program for working people with disabilities. The chairs of the
7 committee on human services of the respective houses of the
8 legislature shall co-chair the task force. Members of the
9 committee on human services of the respective houses of the
10 legislature shall be members of the task force. The task force
11 shall also comprise the following members:

- 12 (1) The director of human services, or the director's
13 designee;
- 14 (2) Representatives from each health care plan contracted
15 with the State under the medicaid program;
- 16 (3) Representatives from the provider community, including
17 the Hawaii Medical Association; and
- 18 (4) Representatives from the hospital community, including
19 the Healthcare Association of Hawaii.

20 The task force may conduct meetings, briefings, and
21 hearings, as appropriate, and recommend legislation pursuant
22 thereto."



1 SECTION 3. 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- Medicaid buy-in for working persons with
5 disabilities; established. (a) There is established within the
6 department a medicaid buy-in program for working persons with
7 disabilities, which shall provide health care services to
8 certain persons who are employed and have disabilities.

9 (b) To qualify for the medicaid buy-in program for working
10 persons with disabilities, a person shall:

- 11 (1) Be a resident of the State;
- 12 (2) Be at least sixteen years of age;
- 13 (3) Have a disability as defined by the Social Security
14 Administration; provided that the income and resource
15 requirements of the Social Security program are met;
- 16 (4) Be engaged in paid work, including part-time and
17 full-time work;
- 18 (5) Have a gross income that does not exceed four hundred
19 per cent of the federal poverty level for an
20 individual or a couple using the Social Security
21 Administration's counting method and as determined by
22 the department pursuant to administrative rules; and



1 (6) Have non-exempt resources that do not exceed \$20,000
2 for an individual or \$40,000 for a couple.

3 (c) The department shall establish the medicaid buy-in
4 program for working persons with disabilities by:

5 (1) Amending the state plan in the manner set forth in
6 Title 42 United States Code Section 1396a

7 (a) (10) (A) (ii) (XIII) or Title 42 United States Code
8 Section 1396a (a) (10) (A) (ii) (XV); and

9 (2) Amending the section 1115 medicaid waiver for the
10 QUEST expanded access managed care program from the
11 federal government to carry out the medicaid buy-in
12 program for working persons with disabilities.

13 (d) The department may require a recipient participating
14 in the medicaid buy-in program for working persons with
15 disabilities to pay a premium or other cost-sharing charges in a
16 manner that is consistent with federal law.

17 (e) For purposes of this section, "medicaid buy-in" refers
18 to an offer of health care services coverage to persons with
19 disabilities who are working and earning more than the allowable
20 limits under regular medicaid, for the purpose of providing an
21 opportunity to have health care coverage through medicaid.



1 (f) The department shall adopt rules pursuant to chapter
2 91 necessary for purposes of this section."

3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$3,100,000 or so much
5 thereof as may be necessary for fiscal year 2011-2012 and the
6 same sum or so much thereof as may be necessary for fiscal year
7 2012-2013 for the employment training and placement program as
8 the State's share of funding to be matched by federal funds
9 received pursuant to medicaid buy-in; provided that \$500,000 per
10 annum shall be provided by the University of Hawaii for
11 administration and setup under the direction of the department
12 of human services.

13 The sums appropriated shall be expended by the department
14 of 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, 2050;
17 provided that section 4 shall take effect on July 1, 2050.



Report Title:

Medicaid; Persons with Disabilities; Appropriation

Description:

Establishes a medicaid buy-in program for working people with disabilities. Allows the formation of a joint legislative task force on medicaid to examine issues relating to medicaid shortfalls. Makes matching fund appropriation for employment training and placement. Effective July 1, 2050. (HB760 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

