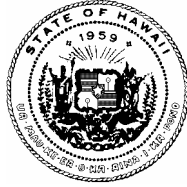


SB 125

SD 1



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 3, 2011

MEMORANDUM

TO: The Honorable David Y. Ige, Chair
Senate Committee on Ways and Means

FROM: Patricia McManaman, Interim Director

SUBJECT: **S.B. 125, S.D. 1 - RELATING TO PERSONS WITH INTELLECTUAL
AND DEVELOPMENTAL DISABILITIES**

Hearing: Thursday, March 3, 2011; 3:20 p.m.
Conference Room 211, State Capitol

PURPOSE: The purpose of S.B. 125, S.D. 1, is to establish an employment and training program for intellectually and developmentally disabled persons using Medicaid waiver funds, to be administered by the Department of Human Services, in cooperation with the Department of Education and the Department of Health. Makes a general fund appropriation of \$1,500,000.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) opposes this bill. DHS does not believe this bill is necessary. DHS already has a Medicaid waiver with the federal Centers for Medicare & Medicaid Services (CMS) for persons with intellectual and developmental disabilities. One of the services included in the current Medicaid waiver is Supported Employment.

The Department of Health (DOH), in partnership with DHS, is in the process of renewing the current Medicaid waiver. The Supported Employment benefit will continue in the Medicaid waiver renewal.

Further, Supported Employment Services for persons with developmental disabilities is currently and more appropriately administered by the Department of Health's Developmental Disabilities Division, not the Department of Human Services.

The Department of Human Services (DHS) is concerned about the cost implications generated by this proposal. Given the State's current fiscal situation and the significant shortfalls in our health care payments program (HMS 401), DHS cannot support increases in general fund appropriations beyond what Governor Abercrombie has proposed in the Executive Biennium Budget for 2012-2013 for DHS.

Thank you for the opportunity to provide comments on this bill.