
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 who have part-time jobs may
5 not be covered through their employer prepaid health care
6 insurance or employer-sponsored health insurance, which forces
7 them to turn to government-sponsored programs, such as medicaid.
8 However, those who earn more than the allowable amount will be
9 ineligible for medicaid coverage, especially those who receive
10 unearned income who have not paid into private or public
11 disability insurance programs such as social security disability
12 insurance.

13 The medicaid buy-in programs, enabled by the federal
14 Balanced Budget Act of 1997, Public Law 105-33, and the federal
15 Ticket to Work and Work Incentives Improvement Act of 1999,
16 Public Law 106-170, allow working adults with disabilities, who
17 do not have employer prepaid or employer-sponsored health care
18 coverage or who earn more than the allowable ceiling, to obtain



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

9 The purpose of this Act is to establish a medicaid buy-in
10 program for working people with disabilities and to make a
11 matching fund appropriation for the employment training and
12 placement program.

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

16 "§346- Program to provide medical assistance to certain
17 persons who are employed and have a disability. (a) There is
18 established within the department a medicaid buy-in program for
19 working people with disabilities. The purpose of the medicaid
20 buy-in program for working people with disabilities is to
21 furnish health care services to certain persons who are employed
22 and have disabilities.



1 (b) To qualify for the medicaid buy-in program for working
2 people with disabilities, the recipient shall:

3 (1) Be a resident of the State;

4 (2) Be at least sixteen years of age;

5 (3) Have a disability as defined by the Social Security
6 Administration; provided that the income and resource
7 requirements of the program are met;

8 (4) Be engaged in paid work, including part-time and
9 full-time work;

10 (5) Have a gross income that does not exceed four hundred
11 per cent of the federal poverty level for an
12 individual or a couple using the Social Security
13 Administration's counting method and as determined by
14 the department pursuant to administrative rules; and

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

17 (c) The department shall establish the medicaid buy-in
18 program for working people with disabilities by:

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

21 (a) (10) (A) (ii) (XIII) or Title 42 United States Code

22 Section 1396a (a) (10) (A) (ii) (XV); and



1 (2) Amending the section 1115 medicaid waiver for the
2 QUEST expanded access managed care program from the
3 federal government to carry out the medicaid buy-in
4 program for working people with disabilities.

5 (d) The department may require a recipient participating
6 in the medicaid buy-in program for working people with
7 disabilities to pay a premium or other cost-sharing charges in a
8 manner that is consistent with federal law.

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

14 (f) The department shall adopt rules pursuant to chapter
15 91 necessary for purposes of this section."

16 SECTION 3. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$3,100,000 or so much
18 thereof as may be necessary for fiscal year 2011-2012 and the
19 same sum or so much thereof as may be necessary for fiscal year
20 2012-2013 for the employment training and placement program as
21 the State's share of funding to be matched by federal funds
22 received pursuant to medicaid buy-in; provided that \$500,000 per



1 annum shall be provided by the University of Hawaii for
2 administration and setup under the direction of the department
3 of human services.

4 The sums appropriated shall be expended by the department
5 of human services for the purposes of this Act.

6 SECTION 4. New statutory material is underscored.

7 SECTION 5. This Act shall take effect upon its approval;
8 provided that section 3 shall take effect on July 1, 2011.

9



Report Title:

Medicaid; Persons with Disabilities; Appropriation

Description:

Establishes a medicaid buy-in program for working people with disabilities. Makes matching fund appropriation for employment training and placement. (SD1)

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

