



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

House Committee on Finance

HB 1754, HD 1, Relating to Persons with Disabilities

**Testimony of Lynn N. Fallin
Deputy Director, Behavioral Health Administration**

February 21, 2014

1 **Department's Position:** The Department of Health strongly supports this measure to develop a
2 Medicaid Buy-in option for persons with disabilities.

3 **Fiscal Implications:** The fiscal implications to the Department of Health are lowered costs for Home
4 and Community Based Services for persons already receiving services within the developmental
5 disabilities program as persons are able to be employed and less dependent upon day services. The
6 Department of Health Developmental Disabilities Division may experience some increase in eligible
7 participants in this same program as the income limit is raised. However, the overall cost to the Division
8 is not anticipated to increase. The Department of Health defers to the Department of Human Services on
9 the total costs of the bill upon the Medicaid program.

10 **Purpose and Justification:** Employment is a key determinant of self determination and quality of life
11 for persons with developmental disabilities and a priority goal for the Department. This measure will
12 increase opportunity for persons being served by the Developmental Disabilities Division to sustain
13 employment without losing their other supports in the Medicaid Home and Community Based Services
14 program.

15 Thank you for the opportunity to testify on this measure.

Promoting Lifelong Health & Wellness



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 21, 2014

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Luke and Members of the Committee:

SUBJECT: HB 1754 HD 1 – RELATING TO PERSONS WITH DISABILITIES

The State Council on Developmental Disabilities **SUPPORTS HB 1754 HD 1**. This bill establishes and appropriates funds for implementing a Medicaid buy-in program for individuals with disabilities who are working to maintain their health care services. A Medicaid buy-in program would protect workers with disabilities from losing their medical benefits and supports.

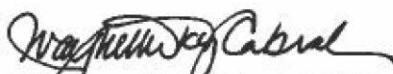
Act 200, Session Laws of Hawaii 2012, established a joint legislative Task Force to assist in exploring the development and possible implementation of a Medicaid buy-in program for working individuals with disabilities based on Hawaii's current Medicaid income and asset limits subject to approval of the Federal Centers for Medicare and Medicaid Services. The Council is a member of the Task Force and has been engaged in discussions on implementing a Medicaid buy-in program for individuals with disabilities.


HB 1754 HD 1 is recognized as a work in progress and represents the input from the Task Force. The intent of the bill would encourage all State agencies working with citizens to identify and remove barriers to employment for persons with disabilities and to encourage individuals with disabilities to gain employment. It would also provide outreach and training about the Medicaid buy-in program.

We support initiatives such as the Medicaid buy-in program that provides opportunity for individuals with disabilities to work and maintain their health care benefits. We appreciate the Legislature's involvement with the Task Force and look forward to our continued work with the Task Force as this bill moves forward.

Thank you for the opportunity to submit testimony in **support of HB 1754 HD1**.

Sincerely,


Waynette K.Y. Cabral, MSW
Executive Administrator


J. Curtis Tyler, III
Chair



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 19, 2014

TO: The Honorable Sylvia Luke, Chair
House Committee on Finance

FROM: Barbara Yamashita, Deputy Director

SUBJECT: **H.B. 1754, H.D. 1 - RELATING TO PERSONS WITH DISABILITIES**

Hearing: Friday, February 21, 2014; 11:00 a.m.
Conference Room 308, State Capitol

PURPOSE: The purpose of this bill is to establish and appropriate funds for a Medicaid Buy-In program for workers with disabilities.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure and strongly supports eliminating barriers for individuals with disabilities to gain employment.

The DHS has actively participated in the Medicaid Buy-in Task Force and has in good faith provided technical assistance and support to the efforts of the group seeking to implement a Medicaid buy-in program. The DHS provided input and the Task Force has reached consensus on a proposed S.D.1 to establish a Medicaid buy-in program. The DHS would not need an appropriation for SFY 2014-2015, but additional funding would be necessary annually beginning with the 2017-2018 fiscal year.

The DHS estimates that a buy-in program would cost \$3.4 million a year, of which approximately half would be federally funded. The general fund cost of \$1.7 million should be

used for purposes of comparing alternatives. The DHS estimates that 60% of Medicaid buy-in program participants will be current Medicaid beneficiaries who may choose to become employed if they are able to participate in a buy-in program. Since funding for these current Medicaid beneficiaries is already included in the MQD budget, an additional appropriation of \$700,000 general funds would be needed annually for the buy-in program.

The main goal of the proposed Medicaid buy-in program is to allow individuals with disabilities to gain employment with increased income and assets, and continue Medicaid coverage. Only Medicaid covers home and community based services and specialized behavioral health services. A Medicaid buy-in program would meet the goal of allowing workers with disabilities to have greater earnings while continuing to have access to these important services. The DHS believes that the proposed S.D.1 is a good bill for establishing a Medicaid buy-in program.

In a buy-in program, Medicaid would provide coverage for all medical costs including hospitalization, procedures, and medications— in addition to home and community based services and specialized behavioral health services— for individuals who could also or would otherwise have Medicare or insurance through a health insurance exchange.

The DHS has been consistent in its position that there are other options that can be considered to expand access to home and community based services and specialized behavioral health services for workers with disabilities that may reduce general fund requirements, increase federal funding, and be able to be implemented more quickly. These include the federal Affordable Care Act (ACA), state-only funded programs, and services through the Department of Health's Adult Mental Health Division and the Executive Office on Aging's Aging and Disability Resource Centers, and the Counties Area Agencies on Aging.

Thank you for the opportunity to testify on this measure.



HAWAII DISABILITY RIGHTS CENTER

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E-mail: info@hawaiidisabilityrights.org Website: www.hawaiidisabilityrights.org

THE HOUSE OF REPRESENTATIVES THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2014

Committee on Finance Testimony in of Support of H.B. 1754, H.D.1 Relating to Persons With Disabilities

**Friday, February 21, 2014, 11:00 A.M.
Conference Room 308**

Chair Luke and Members of the Committee:

The Hawaii Disability Rights Center testifies in support of this bill. While much progress has been made in the past few decades to promote the rights of individuals with disabilities, one area that has lagged behind has been the competitive, integrated employment of individuals with disabilities. While there are many factors accounting for this, one clear barrier is the loss or fear of loss of Medicaid benefits, be it the health care coverage or the home and community waiver benefits which accompany the receipt of Medicaid.

For that reason, the Medicaid Buy In Program has long appeared to be a viable option and one we very much support. This would encourage individuals with disabilities to seek gainful employment and enjoy more fulfilling, productive lives. It would also ensure that they would maintain the services that they need to successfully live in the community. We served as a member of the Medicaid Buy In Task Force that has been convened in the interim since the last legislative session. We are in general support of the efforts of the Task Force and the most recent draft that was agreed upon at the last meeting and reflected in the H.D.1 version that is before this Committee.

We would however like to state that we do feel that the current version of the bill does not go sufficiently far with enough speed to accomplish what is needed. There is a delayed implementation date of three years and we feel that is much too long a period of time to be meaningful. Further, there is an appropriation to conduct outreach and training for the program. Frankly, we do not consider this to be the best use of state funds. We are of the view that that money should be appropriated to actually provide



the services sooner in the most cost effective, efficient way. Delaying the program for three years and spending money on outreach and training seems to miss the more essential reasons for creating this program in the first place. Nonetheless, we do continue to support the efforts of the Task Force and recognize that further discussions will occur during the legislative session, such that the bill will likely be refined as the process moves along .

Thank you for the opportunity to testify in support of this measure.

Community Alliance for Mental Health

February, 20, 2014

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To: House Committee on Finance
Re: HB1754, HD1

Aloha Chair Luke and the members of the committee,

On behalf of the Community Alliance for Mental Health along with United Self Help we support the passage of HB1754, HD1, with one caveat.

A Medicaid Buy-In is a necessary part of our state's health care transformation. We are faced with a shortage of medical personal. We are also faced with a disabled population that is limited in their ability to achieve personal growth.

A Medicaid Buy-In is a win-win for us. It will allow for para-professional medical workforce development by utilizing those members of the disabled population that want to grow and return to the workforce but require the continued access to certain ancillary services available as a Medicaid patient but not covered under regular insurance plans.

Not only is this an evidence based practice but Hawai'i is one of only five states yet to implement the Medicaid Buy-In. While there appears to be some cost to the state you must remember that that cost is already being spent to cover the disabled population.

Therefore we strongly support the passage of HB1754, HD1. After seven years of negotiations it's time.

Scott Wall
VP/ Legislative Advocate
Community Alliance for Mental Health

[
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finance8-Danyl

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 20, 2014 6:40 AM
To: FINTestimony
Cc: toolohana@hawaiiantel.net
Subject: Submitted testimony for HB1754 on Feb 21, 2014 11:00AM

HB1754

Submitted on: 2/20/2014

Testimony for FIN on Feb 21, 2014 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Laurence Tool	Individual	Support	No

Comments: Aloha Committee Members, For those of us who are fortunate to offer a helping hand, through government, to those who are not, is only right, fair and just. This bill simply helps those who are struggling to help themselves. Please pass this bill. Mahalo

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 21, 2014

Ellen K. Awai
3329 Kanaina Ave.
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Awai76@aol.com

TO: Representative Sylvia Luke, Chair of the Finance Committee & Members
Hearing on Friday, February 21, 2014, 11:00am in Room #308

SUBJECT: Testimony HB1754 HD1 - Please support!

I am a member of the joint Medicaid Buy-In Taskforce, with a master of science in Criminal Justice Administration (MSCJA) and a bachelor in Business Administration (BBA). I am a Certified Psychiatric Rehabilitation Practitioner (CPRP) with the U.S. Psychiatric Rehabilitation Association, which has gone international as Psychiatric Rehabilitation Association (PRA) training individuals on the integrated, person-centered recovery model. I have been a mental health advocate for over a decade, fighting for bills that are important for the disability community. But being an advocate is not helpful when you represent groups that the state agencies serve.

I heard about the Medicaid Buy-In program over 10 years ago, but Hawaii is still only one of five states that do not have this program. This was prior to becoming a member of Substance Abuse Mental Health Services Administration (SAMHSA), Center for Mental Health Services, National Advisory Council's Subcommittee on Consumer Survivor Issues. It was also before getting a job with the state's Adult Mental Health Division training people with mental illnesses to become Certified Peer Specialists for jobs in the field because of their lived experiences.

I am one of a few, who have a mental health disability, a very stigmatizing label, yet I testify on bills that I strongly believe in. I risk my own personal future in finding a career because I do not want others to go through the same barriers that I have faced. I don't want to just collect benefits because of my disability, but I have experienced a lot of challenges when losing any of these benefits. Just the recent raise in the cost of living for 2014 has kicked me off of the MedQuest Quest Expanded Access (QExA) program, which assisted in paying medical bills after Medicare.

President Obama's Affordable Care Act was important for the middle class to get insurance, but many have no clue of the impact of not having health insurance on our community, where hospitals closed; homelessness increased; and emergency rooms, hospitals, jails, and prisons are so overcrowded. Instead the Medicaid enrollment for the poor increased significantly. Please support this bill, HB1754 HD1 with the changes made by the Taskforce on January 23, 2014!

Mahalo and Aloha!



Ellen K. Awai, MSCJA, BBA, CPRP, HCPS
Behavioral Health Advocate

LATE TESTIMONY