
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 Act 200, Session
2 Laws of Hawaii 2012, established a joint legislative task force
3 to explore the possibility of implementing a medicaid buy-in
4 program for individuals with disabilities who are either not
5 working or currently working and would like to earn more income,
6 based upon Hawaii's current medicaid income and asset limits,
7 subject to approval of the federal Centers for Medicare and
8 Medicaid Services. The legislature notes that a significant
9 portion of the population in Hawaii receives federal or state
10 benefits because of disabling conditions. Additionally, current
11 state programs and policies, including state-designed medicaid
12 waiver programs, create disincentives for persons with
13 disabilities to become employed, maintain employment, or
14 increase their employment income.

15 The legislature also finds that from 2005 through 2012,
16 Hawaii was the recipient of a grant from the federal Centers for
17 Medicare and Medicaid Services for the development of a medicaid
18 infrastructure program to design and implement a medicaid buy-in



1 program for individuals with disabilities who are employed or
2 desire to become employed and purchase medicaid coverage
3 authorized under the Ticket to Work and Work Incentives
4 Improvement Act of 1999 (P.L. 106-170). Prior to 1999, other
5 potential federal options for the creation of a medicaid buy-in
6 program included the 1997 Balanced Budget Act and a waiver
7 pursuant to title 42 United States Code section 1115, the Social
8 Security Act.

9 The legislature further finds that it is advantageous to
10 economic development of the State and in the best interests of
11 Hawaii's citizens with disabilities to establish programs and
12 policies that encourage employment. It is the intent of the
13 legislature that all state agencies work with citizens to
14 identify and remove barriers to employment for persons with
15 disabilities. Adults with disabilities need adequate health
16 insurance, but options for insurance coverage are limited, even
17 with the federal Patient Protection and Affordable Care Act.

18 The purpose of this Act is to encourage individuals to gain
19 employment and improve their employment opportunities by
20 establishing a medicaid buy-in program for individuals with
21 disabilities.



1 SECTION 2. 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 program; workers with
5 disabilities. (a) There is established within the department
6 of human services the medicaid buy-in program for workers with
7 disabilities. The purpose of the medicaid buy-in program for
8 workers with disabilities is to support employment of
9 individuals with disabilities by expanding their access to
10 medicaid.

11 (b) To qualify for the medicaid buy-in program for workers
12 with disabilities, a person shall:

- 13 (1) Be a resident of the State;
- 14 (2) Be at least eighteen years of age;
- 15 (3) Meet medicaid citizenship requirements;
- 16 (4) Have a disability, as defined by the Social Security
17 Administration;
- 18 (5) Be gainfully employed in either part-time or full-time
19 work; provided that all earnings shall be reported to
20 the department of labor and industrial relations;
- 21 (6) Have income that does not exceed three hundred per
22 cent of the federal poverty level; and



1 (7) Have assets that do not exceed an amount established
2 by the department; provided that the limitation shall
3 not be less than \$25,000.

4 (c) The medicaid buy-in program may have an enrollment
5 limit as determined by the department; provided that the
6 limitation shall not be less than two hundred individuals.

7 (d) The department may require a person participating in
8 the medicaid buy-in program for workers with disabilities to pay
9 a premium or other cost-sharing charges in a manner as
10 determined by the department.

11 (e) The department shall adopt rules pursuant to chapter
12 91 necessary for the purposes of this section."

13 SECTION 3. The department of human services shall
14 implement the medicaid buy-in program for workers with
15 disabilities no later than July 1, 2017.

16 SECTION 4. The department of human services shall submit a
17 report to the legislature no later than twenty days prior to the
18 convening of the regular session of 2016, detailing its progress
19 in implementing the medicaid buy-in program for workers with
20 disabilities. The report shall also include any proposed
21 recommendations, legislation, and resources needed to implement
22 the medicaid buy-in program for workers with disabilities.



1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$165,000 or so much
3 thereof as may be necessary for fiscal year 2014-2015 for the
4 University of Hawaii center on disability studies to prepare and
5 conduct outreach and training relating to the medicaid buy-in
6 program for workers with disabilities.

7 The sum appropriated shall be expended by the University of
8 Hawaii center on disability studies for the purposes of this
9 Act.

10 SECTION 6. New statutory material is underscored.

11 SECTION 7. This Act shall take effect on July 1, 2014.



Report Title:

Medicaid Buy-in Program for Workers with Disabilities;
Appropriation

Description:

Establishes the medicaid buy-in program for workers with disabilities and appropriates funds for outreach and training relating to the medicaid buy-in program for workers with disabilities. (SD1)

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