
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. Moreover, 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



1 infrastructure program to design and implement a medicaid buy-in
2 program for individuals with disabilities who are employed or
3 desire to become employed and purchase medicaid coverage
4 authorized under the Ticket to Work and Work Incentives
5 Improvement Act of 1999 (P.L. 106-170). Before 1999, other
6 potential federal options for the creation of a medicaid buy-in
7 program included the Balanced Budget Act of 1997 and a waiver
8 pursuant to section 1115 of the Social Security Act, as codified
9 under title 42 United States Code section 1315.

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

19 The purpose of this Act is to encourage individuals with
20 disabilities to gain employment and improve their employment



1 opportunities by establishing a medicaid buy-in program for
2 workers with disabilities.

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

6 "§346- Medicaid buy-in program for workers with
7 disabilities. (a) There is established within the department
8 the medicaid buy-in program for workers with disabilities. The
9 purpose of the medicaid buy-in program for workers with
10 disabilities is to support employment of individuals with
11 disabilities by expanding their access to medicaid.

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

- 14 (1) Be a resident of the State;
- 15 (2) Be at least eighteen years of age;
- 16 (3) Meet medicaid citizenship requirements;
- 17 (4) Have a disability, as defined by the Social Security
18 Administration;
- 19 (5) Be gainfully employed in either part-time or full-time
20 work; provided that all earnings shall be reported to
21 the department of labor and industrial relations;



1 (6) Have income that does not exceed three hundred per
2 cent of the federal poverty level; and
3 (7) Have assets that do not exceed an amount established
4 by the department; provided that the limitation on
5 assets established by the department shall not be less
6 than \$25,000.

7 (c) The medicaid buy-in program for workers with
8 disabilities may have an enrollment limit as determined by the
9 department; provided that the limit shall not be less than two
10 hundred individuals.

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

15 (e) The department shall seek approval from the federal
16 government before proceeding with the implementation of the
17 medicaid buy-in program.

18 (f) The department shall adopt rules pursuant to chapter
19 91 necessary for the purposes of this section."

20 SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 3000.



Report Title:

Medicaid Buy-in Program for Workers with Disabilities

Description:

Establishes within the Department of Human Services a Medicaid Buy-in Program for Workers with Disabilities. (HB2540 HD1)

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