

JAN 27 2016

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# A BILL FOR AN ACT

RELATING TO PERSONS WITH DISABILITIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. The legislature finds that Act 200, Session  
3 Laws of Hawaii 2012, established a joint legislative task force  
4 to explore the possibility of implementing a medicaid buy-in  
5 program for individuals with disabilities who are either not  
6 working or currently working and would like to earn more income,  
7 based upon Hawaii's current medicaid income and asset limits,  
8 subject to approval of the federal Centers for Medicare and  
9 Medicaid Services. The legislature notes that a significant  
10 portion of the population in Hawaii receives federal or state  
11 benefits because of disabling conditions. Moreover, current  
12 state programs and policies, including state-designed medicaid  
13 waiver programs, create disincentives for persons with  
14 disabilities to become employed, maintain employment, or  
15 increase their employment income.

16 The legislature also finds that from 2005 through 2012,  
17 Hawaii was the recipient of a grant from the federal Centers for



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

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





- 1           (3) Meet medicaid citizenship requirements;
- 2           (4) Have a disability, as defined by the Social Security
- 3                 Administration; and
- 4           (5) Not be eligible for any other medicaid eligibility.

5           (c) The department of human services shall use the same  
6 eligibility criteria for the working disabled adults pilot  
7 program as for the medicaid aged, blind, and disabled group,  
8 except that the department shall:

- 9           (1) Disregard earned income in an amount determined by the
- 10                 department, but not less than \$1,000 per month; and
- 11           (2) Have an asset limit as determined by the department,
- 12                 but not less than the asset limit for the medicaid
- 13                 aged, blind, and disabled group.

14           (d) The working disabled adults pilot program shall  
15 terminate on June 30, 2019.

16           SECTION 3. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$           or so much  
18 thereof as may be necessary for fiscal year 2016-2017 and the  
19 same sum or so much thereof as may be necessary for fiscal years  
20 2017-2018 and 2018-2019 for the working disabled adults pilot  
21 program to support employment of individuals with disabilities



1 by expanding their access to medicaid; provided that the  
2 department is encouraged to collaborate with the University of  
3 Hawaii center on disability studies to prepare and conduct  
4 outreach relating to the working disabled adults pilot program,  
5 technical assistance, and evaluation.

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

8 PART III

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

12 "§346- Medicaid buy-in program for workers with  
13 disabilities. (a) There is established within the department  
14 the medicaid buy-in program for workers with disabilities. The  
15 purpose of the medicaid buy-in program for workers with  
16 disabilities is to support employment of individuals with  
17 disabilities by expanding their access to medicaid.

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

20 (1) Be a resident of the State;

21 (2) Be at least eighteen years of age;



- 1        (3) Meet medicaid citizenship requirements;
- 2        (4) Have a disability, as defined by the Social Security  
3        Administration;
- 4        (5) Be gainfully employed in either part-time or full-time  
5        work; provided that all earnings shall be reported to  
6        the department of labor and industrial relations;
- 7        (6) Have income that does not exceed three hundred per  
8        cent of the federal poverty level; and
- 9        (7) Have assets that do not exceed an amount established  
10       by the department; provided that the limitation on  
11       assets established by the department shall not be less  
12       than \$25,000.
- 13       (c) The medicaid buy-in program for workers with  
14       disabilities may have an enrollment limit as determined by the  
15       department; provided that the limit shall not be less than two  
16       hundred individuals.
- 17       (d) The department may require a person participating in  
18       the medicaid buy-in program for workers with disabilities to pay  
19       a premium or other cost-sharing charges in a manner as  
20       determined by the department.





# S.B. NO. 3082

**Report Title:**

Working Disabled Adults Pilot Program; Medicaid Buy-in Program for Workers with Disabilities; Appropriation

**Description:**

Establishes within the department of human services a two-year working disabled adults pilot program to be repealed on June 30, 2017. Establishes a medicaid buy-in program for workers with disabilities to be implemented once the pilot program is complete. Appropriates funds for the working disabled adults pilot program.

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

