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Honolulu, Hawaii

February 19, 2016

RE: H.B. No. 2540 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 2540 entitled:

"A BILL FOR AN ACT RELATING TO PERSONS WITH DISABILITIES," beg leave to report as follows:

The purpose of this measure is to encourage individuals with disabilities to gain employment and improve their employment opportunities by removing structural disincentives for employment from state medical benefits programs. Specifically, this measure:

- (1) Establishes a Working Disabled Adults Pilot Program (Pilot Program) to create a new Medicaid eligibility group for workers with disabilities and appropriates funds to the Department of Human Services (Department) for the Pilot Program;
- (2) Establishes a Medicaid Buy-in Program for Workers with Disabilities to support the employment of individuals with disabilities through expanding their access to Medicaid, to be implemented once the Pilot Program is completed; and
- (3) Requires the Department to report to the Legislature with an update on the Pilot Program and recommendations on the possible implementation of the Medicaid Buy-in Program.

The State Council on Developmental Disabilities, Lanakila Workforce Resources, Ohana Health Plan, and a few concerned individuals supported this measure. The Department of Human Services and Hawaii Disability Rights Center provided comments.

Your Committees have amended this measure by:

- (1) Removing language requiring the Department of Human Services to establish the Pilot Program and appropriating funds for the Pilot Program;
- Removing language requiring the Department to report to (2) the Legislature on the Pilot Program and recommendations on the possible implementation of the Medicaid Buy-in Program;
- Requiring that the Department seek approval from the federal government before implementing the Medicaid Buyin Program for Workers with Disabilities;
- (4) Changing its effective date to July 1, 3000, to encourage further discussion; and
- Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2540, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2540, H.D. 1, and be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committees on Human Services and Health,

A AU BELATTI, Chair

HB2540 HD1 HSCR HUS-HLT HMS 2016-2017

State of Hawaii House of Representatives The Twenty-eighth Legislature HSCR 481-16

Record of Votes of the Committee on Human Services

	Committee Referral: HVS/HUT, FIN			Date: 2-16-16			
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
HUS Members	Ayes	Ayes (WR)	Nays	Excused			
1. MORIKAWA, Dee (C)	/						
2. KOBAYASHI, Bertrand (VC)			·				
3. BELATTI, Della Au							
4. CREAGAN, Richard P.							
5. HASHEM, Mark J.							
6. JORDAN, Jo							
7. OSHIRO, Marcus R.							
8. FUKUMOTO CHANG, Beth							
							
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TOTAL (8)	8	-0-	-	→			
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s)							
Vice Chair's or designee's signature:							
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO							

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Record of Votes of the Committee on Health

	ee Referral:	Date	2/16/16	,		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
HLT Members	Ayes	Ayes (WR)	Nays	Excused		
1. BELATTI, Della Au (C)	/					
2. CREAGAN, Richard P. (VC)						
3. HASHEM, Mark J.						
4. JORDAN, Jo	~					
5. KOBAYASHI, Bertrand	~					
6. MORIKAWA, Dee						
7. OSHIRO, Marcus R.						
8. FUKUMOTO CHANG, Beth						
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9. TUPOLA, Andria P.L.						
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TOTAL (9)	8					
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)						
Vice Chair's or designee's signature:						
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO						