

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.



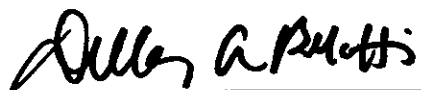
The State Council on Developmental Disabilities, Lanakila Workforce Resources, Ohana Health Plan, and a few concerned individuals supported this measure. The Department of Human Services and Hawaii Disability Rights Center provided comments.

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;
- (2) Removing language requiring the Department to report to the Legislature on the Pilot Program and recommendations on the possible implementation of the Medicaid Buy-in Program;
- (3) Requiring that the Department seek approval from the federal government before implementing the Medicaid Buy-in Program for Workers with Disabilities;
- (4) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (5) 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,



DELLA AU BELATTI, Chair



DEE MORIKAWA, Chair



