

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339  
Honolulu, Hawaii 96809-0339

**LATE**

February 16, 2016

TO: The Honorable Dee Morikawa, Chair  
The House Committee on Human Services

The Honorable Della Au Belatti, Chair  
The House Committee on Health

FROM: Rachael Wong, DrPH, Director

**SUBJECT: HB 2540 RELATING TO PERSONS WITH DISABILITIES**

Hearing: Tuesday, February 16, 2016, 9:15  
Conference Room 329, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the bill and provides comments. This year the administration included an appropriation request to implement the Medicaid Buy-In/Ticket To Work program in the Governor's Executive Budget, and the Department respectfully asks the Legislature fund the program through the Executive Budget.

**PURPOSE:** The purpose of the bill is to encourage individuals with disabilities to gain employment and improve their employment opportunities by establishing a two year pilot program in which Medicaid eligibility will be expanded for employed adults with disabilities; and a Medicaid Buy-In program for employed people with disabilities once the pilot program has terminated. Requests appropriation.

The Department of Human Services (DHS) appreciates and supports the intent of the bill. The bill reflects the work of the Medicaid Buy-In taskforce last year (2015), and is substantially similar to HB 1236 HD1 SD1 from the 2015 legislative session. What is different about the administration's approach this year is reflected in the Executive Budget request for

\$637,560 (A=\$293,405/N=\$344,155) to implement the Medicaid Buy-In/Ticket To Work Program. We respectfully request the Legislature invest in this program by fully funding the appropriation request identified in the Executive Budget.

The proposed pilot and full Medicaid Buy-in program recognize the importance of employment supports for people with disabilities in their overall health. The Center for Medicare & Medicaid Services (CMS) recognizes that employment is a fundamental part of life for people with and without disabilities and offers the Medicaid Buy-In options for states. The foundational underpinning of the program are the core beliefs that: Employment provides an individual with a sense of purpose and a way to contribute to the community; the sense of purpose and contribution are associated with positive physical and mental health benefits. As the CMS describes “meaningful work is part of building a healthy lifestyle as a contributing member to society and essential to individual's economic self-sufficiency, self-esteem and well-being.

The Medicaid Buy-In program is an optional State Medicaid benefit group for workers with disabilities who have earnings in excess of traditional Medicaid rules. Individuals with disabilities who would be ineligible for Medicaid because of earnings can work and access the services and supports they need. Ideally, it means workers with disabilities do not need to choose between healthcare and work.”

Thank you for the opportunity to testify on this bill.

Edward Thompson, III

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From: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 12, 2016 10:17 AM  
To: HUS testimony  
Cc: waynette.cabral@doh.hawaii.gov  
Subject: \*Submitted testimony for HB2540 on Feb 16, 2016 09:15AM\*

**HB2540**

Submitted on: 2/12/2016

Testimony for HUS/HLT on Feb 16, 2016 09:15AM in Conference Room 329

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Waynette Cabral	State Council on Developmental Disabilities	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**LATE**

STATE OF HAWAII  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
919 ALA MOANA BOULEVARD, ROOM 113  
HONOLULU, HAWAII 96814  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
February 16, 2016

The Honorable Dee Morikawa, Chair  
House Committee on Human Services  
and  
The Honorable Della Au Belatti  
House Committee on Health  
Twenty-Eighth Legislature  
State Capitol  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Representatives Morikawa, Belatti, and Members of the Committees:

SUBJECT: HB 2540 – Relating to Persons with Disabilities

The State Council on Developmental Disabilities (DD) **SUPPORTS HB 2540 with proposed amendments.** The purpose of the bill is to establish within the Department of Human Services (DHS) a two-year working disabled adults pilot program to be repealed on June 30, 2017, establish a Medicaid Buy-In (MBI) program for workers with disabilities to be implemented once the pilot program is complete, and appropriate funds for the working disabled adults pilot program.

Act 200, Session Laws of Hawaii 2012, established a joint legislative Task Force to assist in exploring the development and possible implementation of a MBI program for working individuals with disabilities based on Hawaii's current Medicaid income and asset limits subject to approval by the Federal Centers for Medicare and Medicaid Services. The Task Force was convened by Senator Suzanne Chun Oakland and the late Representative Mele Carroll. The Council is a member of the Task Force and has been engaged in discussions on establishing and implementing a MBI program for individuals with disabilities. The Task Force was in general agreement that the MBI program was a viable option to pursue to enable workers with disabilities to be employed while protecting them from losing their medical benefits and supports.

A similar bill, HB 1236, HD1 SD2 Draft CD1 (2015), is pending a Conference Committee as of April 30, 2015. During the Interim, the Task Force continued to meet to discuss various options to implementing a MBI program. One option that the Task Force fully supported and encouraged was for the DHS Med-QUEST Division (MQD) to submit a budget request for funds to start the MBI program. DHS MQD submitted a request for \$293,405 in general funds and is included in the State budget bill (HB 1700 -

The Honorable Dee Morikawa  
The Honorable Della Au Belatti  
Page 2  
February 16, 2016

Relating to the State Budget), under Program ID HMS 401/PE- Add funds for Ticket to Work Medicaid State Plan Services.


The Council is extremely pleased with DHS' budget request as it is evident that establishing a MBI program is supported by DHS. However, we continue to support HB 2540 as another vehicle to move forward with establishing the MBI program in the event the budget request is eliminated through the legislative process.


**In light of the budget request, the Council believes that it is no longer necessary to establish a two-year working disabled adults pilot program to create a new Medicaid eligibility group for workers with disabilities as proposed in PART II, SECTIONS 2 and 3 (Pages 3-5) of the bill. As such, the Council respectfully proposes the following amendments for your consideration:**

- 1. Delete in its entirety, Page 3, that includes the purpose of the Act and PART II, SECTION 2.**
- 2. Delete in its entirety, Page 4.**
- 3. Delete Page 5, lines 1-7.**
- 4. Replace PART III on line 8 with PART II, and SECTION 4 on line 9 with SECTION 2.**
- 5. Replace PART IV with PART III on Page 7, line 3.**
- 6. Delete Page 7, Section 7, lines 16-18 that refers to the repeal date of the pilot project and the effective date of the MBI program.**

Thank you for the opportunity to submit testimony **in support of HB 2540** and for your consideration of the above proposed amendments.

Sincerely,

  
Waynette K.Y. Cabral, MSW  
Executive Administrator

  
Josephine C. Woll  
Chair



**PRESIDENT & CEO**  
Marian E. Tsuji

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Committee on Human Services  
The Honorable Representative Dee Morikawa, Chair  
The Honorable Representative Bertrand Kobayashi, Vice Chair

Committee on Health  
The Honorable Representative Della Au Belatti, Chair  
The Honorable Representative Richard P. Creagan, Vice Chair

February 16, 2016; 9:15 a.m.  
Conference Room 329  
HB 2540 Relating to Persons with Disabilities

Good morning, Chairs Morikawa and Belatti, Vice Chairs Kobayashi and Creagan, and members of the Committees on Human Services and Health.

Lanakila Pacific supports the intent of HB 2540. However, we urge you to consider bypassing the pilot program and instead fully implement the Medicaid Buy-In Program as included in the Governor's Budget to support its full implementation. Hawaii is one of only four states yet to establish a Medicaid Buy-In Program, creating a sense of urgency to offer equitable opportunities to our citizens with disabilities as other states have offered to theirs.

More needs to be done to promote employment of people with disabilities. According to the U.S. Bureau of Labor Statistics, in 2014, only 17.1% of people with disabilities were employed compared to 64.6% of those without disabilities. Many people with disabilities want to work but worry that doing so could jeopardize their vital health coverage. Expanding access to Medicaid would provide people with disabilities who are interested in working the opportunity to get or keep health coverage while on the job.

This not only benefits the individual's self-esteem, it also contributes to their self-sufficiency and independence. More people with disabilities working means more consumers to put money back into the economy, more contributing taxpayers, and better use of state resources.

Lanakila Pacific is a 76 year old Hawaii-based non-profit organization. Our programs include employment training and job placement assistance for people with disabilities.

Thank you for the opportunity to provide testimony in support of the intent of this measure.

Respectfully submitted,

Marian E. Tsuji  
President & CEO

Mary Beth Lum  
Senior Employee Development Coordinator

Edward Thompson, III

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From: mailinglist@capitol.hawaii.gov  
Sent: Sunday, February 14, 2016 7:05 PM  
To: HUS testimony  
Cc: louis@hawaiidisabilityrights.org  
Subject: Submitted testimony for HB2540 on Feb 16, 2016 09:15AM

**HB2540**

Submitted on: 2/14/2016

Testimony for HUS/HLT on Feb 16, 2016 09:15AM in Conference Room 329

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Louis Erteschik	Hawaii Disability Rights Center	Comments Only	No

Comments: We understand DHS will voluntarily have this program. We applaud their willingness to do so.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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808.675.7300 | [www.ohanahealthplan.com](http://www.ohanahealthplan.com)

February 15, 2016

To: The Honorable Dee Morikawa  
Chair, House Committee on Human Services

The Honorable Della Au Belatti  
Chair, House Committee on Health

From: 'Ohana Health Plan  
Wendy Morriarty, State President

Re: HB 2540, Relating to Persons with Disabilities; In Support  
February 16, 2016; Conference Room 329

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'Ohana Health Plan ('Ohana) is a member of the WellCare Health Plans, Inc.'s ("WellCare") family of companies and provides healthcare for Hawai'i residents statewide. Since 2009, 'Ohana has utilized WellCare's national experience to develop a Hawai'i -specific care model that addresses local members' healthcare and health coordination needs. By focusing on the state's Medicaid and Medicare population, 'Ohana serves Hawaii's most vulnerable residents: low-income, elderly, disabled, and individuals with complex medical issues. Our mission is to help our members' lead better, healthier lives.

'Ohana Health Plan offers our strong support of HB 2540, and urges the establishment of a Medicaid buy-in program for workers with disabilities. As one of the largest health plans in the state that specifically serves our disabled community, we are acutely aware of the disconnect between needing certain home and community based services and wanting to be a contributing member of society via formal employment. As these home and community based services are uniquely covered by Medicaid, these community members must choose to remain unemployed or, at best, underemployed in order to not lose the very services that help keep them independent. The ability to seek and maintain employment is not only good for the health and welfare of the disabled individual, but for the community as a whole. The current Medicaid income limits should not be a barrier to this sub-set of the disabled population that wishes to contribute to our community by participating in gainful employment. For these reasons, 'Ohana Health Plan strongly supports the creation of a Medicaid buy-in program for the state of Hawai'i.

Thank you very much for the opportunity to submit testimony on this measure.



February 12, 2016

To Whom It May Concern:

I am writing today in support of HB 2540, as it pertains to the Working Disabled Adults Pilot Program. As an individual who has spent time both professionally and personally with people who have disabilities, I feel strongly that there is a definite need for a program that thoroughly trains and supports individuals with disabilities to be a part of the workforce.

Having worked as a skills trainer for many years with children and adolescents who have autism, I can say with certainty that these kids possess a range of skills and talents that bring value to a work environment. For example, having the ability to complete a task systematically or organizing items by size, shape, and/ or color. Although they may falter in areas such as social skills or communication, I don't feel that this should prevent them from finding appropriate positions in which they can use the skills they are competent in, while also having the opportunity to expand on others. I have found that the time to learn a new skill for someone with a disability such as autism requires more time than your typical individual, but once they "get it" they will be able to reproduce it with more accuracy and consistency.

Finding jobs that match the skills of this population is not only beneficial for the individual in terms of employment and their own self-worth; moreover, it is beneficial for our community. Unfortunately, people who are disabled are often stigmatized because they appear differently and sometimes act differently. I want to live in a place where all people are valued for their unique qualities, and if we, as a society, fail to provide opportunities for those with disabilities, I fear that the stigmatization will only worsen. Thank you for taking the time to read this,

Best,

Michal Cordova



Dee Morikawa, Chair  
Bertrand Kobayashi, Vice Chair  
House Committee on Human Services

Della Au Belatti, Chair  
Richard P. Creagan, Vice Chair  
House Committee on Health

RE: SB2540, Relating to Persons with Disabilities

DATE: Tuesday, February 16, 2016

TIME: 9:15 A.M.

PLACE: Conference Room 329

State Capitol

415 South Beretania Street

Hello. My name is Ashley Corpuz and I am currently a student at the Myron B. Thompson School of Social Work, Master's program. I am in favor of HB2540, relating to persons with disabilities, as the pilot program is beneficial in increasing morale and governing self-autonomy.

Because people with disabilities are on a fixed income through the Social Security Act and are entitled to benefits with strict eligibility requirements, they are in position of being unemployed due to the fear of becoming jeopardized. The bill states that the purpose of this act is to encourage these individuals to gain employment and to improve employment opportunities through a 2-year pilot program and a Medicaid buy-in for workers with disabilities to be implemented once the pilot program is terminated. The purpose of the Medicaid buy-in program for workers with disabilities is to support employment of individuals with disabilities by expanding their access to Medicaid. As a social work student, I support this bill because it allows individuals with disabilities to become a contributing member to society, puts an emphasis on meaningful daytime activity, and also leads to a more independent lifestyle.

The 2-year pilot program should definitely be tested as qualifications are feasible. I am in support of HB2540 as individuals with disabilities deserve to live meaningful lives and to be able to achieve a sense of self-worth.

Ashley Corpuz  
94-248 Kahualena Street  
Waipahu, HI 96797