

Honolulu, Hawaii

MAR 29 2017

RE: S.R. No. 11

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.R. No. 11 entitled:

"SENATE RESOLUTION URGING THE DEPARTMENT OF HUMAN SERVICES TO NOT CONSIDER CERTAIN BENEFITS UNDER TITLE II OF THE SOCIAL SECURITY ACT AS INCOME WHEN DETERMINING MEDICAID ELIGIBILITY,"

begs leave to report as follows:

The purpose and intent of this measure is to urge the Department of Human Services to adopt rules and take all actions necessary, as permitted by federal law, to disregard the Social Security Title II benefit or any increase in that benefit that makes an individual ineligible for supplemental security income and Medicaid.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities; The Arc in Hawaii; Hawaii Disability Legal Services, LLLC; and four individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that many individuals with disabilities who have extremely low income rely on federal supplemental security income (SSI) for living expenses, but SSI alone is grossly insufficient to pay for the cost of the residential and health care services that individuals may need. Although Hawaii law authorizes a state payment supplemental to SSI for residents

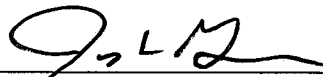


of certain care facilities, individuals with disabilities who have extremely low income and rely on SSI and a state payment supplemental to SSI also rely on the State's Medicaid program for medical care and home and community based services to maintain a healthy and productive life in the community.

Your Committee further finds that when a Medicaid recipient's total income exceeds the Medicaid income qualification standard, in order to retain eligibility for Medicaid, the individual must spend down all of the recipient's income until the recipient's retained income equals an arbitrary "medically needy" standard, which is the only amount the individual retains for expenses. In some cases, the cause of the individual's income exceeding the Medicaid income qualification standard is the receipt of disabled adult child benefits, which is Social Security disability income under Title II of the Social Security Act on the basis of blindness or disability that began before the individual attained the age of twenty-two. While federal law requires or permits states to disregard Social Security Act Title II benefit amounts or increases thereof to the extent that those amounts result in loss of Medicaid eligibility for four different groups of individuals, urging the Department of Human Services to adopt rules to implement these income disregards for all groups, including the group of recipients of disabled adult child benefits, will ensure that individuals with developmental disabilities who are dependent adult children will not lose support services.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 11 and recommends that it be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,




JOSH GREEN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SR 11	Committee Referral: HMS, WAM	Date: 3/29/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, Josh (C)	✓			
CHANG, Stanley (VC)	✓			
HARIMOTO, Breene	✓			
TOKUDA, Jill N.				✓
WAKAI, Glenn	✓			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes