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March 29, 2017

TO: The Honorable Josh Green, Chair
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **SCR 45/SR 11 – 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**

Hearing: March 29, 2017, 2:50 p.m.
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) offers comments.

PURPOSE: The purpose of Senate Concurrent Resolution 45 and Senate Resolution 11 is to urge DHS to not consider certain benefits under Title II of the Social Security Act as income when determining Medicaid eligibility for individuals identified as Disabled Adult Children (DAC).

DHS appreciates the intent of the resolution to disregard the increases of federal Social Security Title II income, also referred to as DAC benefits, received by a disabled adult child on his/her parent's social security account. We note here that the Med-QUEST division (MQD) already amended the Hawaii Administrative Rules (HAR) related to DAC, chapter 17-1722, HAR, sections 17-1722-145 to 17-1722-149, to address this issue. Per subsection 17-1722-148(c), the amount of Title II income that exceeds the Supplemental Security Income (SSI)/State Supplementary Payment (SSP) payment standard shall be disregarded.

Thus, while we believe this section of the HAR provides adequate guidance related to the disregard of income that exceeds the SSI/SSP payment standard, we will revisit the applicable HAR subsections to ensure they provide proper guidance to accomplish our shared goals of

continuance of an individual's full Medicaid benefits as allowed by federal law, and avoiding redeterminations under a Medically Needy program due to increased Social Security Income when not appropriate.

Thank you for this opportunity to provide comments on this resolution.