

HB-1613

Submitted on: 1/29/2020 1:39:14 PM

Testimony for HSH on 1/31/2020 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Hawaii Self Advocacy Advisory Council	Individual	Support	No

Comments:

Hi my name is Michelle Muralt and I think this is a good to offer others like me. I have Medicaid and it helps me a lot. Other people should have Medicaid too.

HB-1613

Submitted on: 1/27/2020 6:03:28 PM

Testimony for HSH on 1/31/2020 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Erteschik	Hawaii Disability Rights Center	Comments	No

Comments:

We have long advocated for a Medicaid Buy In Program. We still do. That said, the Department of Human Services has yet to implement the Income Disregard Bill that the legislature passed last year. It might make more sense for the legislature to focus on making sure the Department completes that, so that we will at least have some relief for individuals with disabilities who would like to work and yet retain their Medicaid benefits.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
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January 31, 2020

The Honorable Representative Joy San Buenaventura, Chair
House Committee on Human Services and Homelessness
Thirtieth Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Joy San Buenaventura and Members of the Committee:

SUBJECT: HB 1613 – Relating to Persons with Disabilities

The State Council on Developmental Disabilities appreciates the intent of HB 1613 which requires the Department of Human Services (DHS) to establish a Medicaid Buy-In program for workers with disabilities.

We believe requiring DHS to establish a Medicaid Buy-In program now, would have an unintended negative consequence for individuals with Developmental Disabilities.

In Accordance with Act 155, Session Laws of Hawaii 2019, Related to Earned Income Disregard or "Kal's Law", DHS is required to implement an earned income disregard program as an intermediate step to implementing a full Medicaid Buy-In program. The Earned Income Disregard program will be evaluated at least annually, and DHS will report whether, when, and how a full Medicaid Buy-In program is implemented. According to the report DHS submitted to the Thirtieth Hawaii State Legislature 2020, the process to implement Kal's Law could take approximately six months. As learned in stakeholder meetings with DHS, this process is much quicker than implementing a Medicaid Buy-In program.

Kal's Law was passed as an intermediate step to implementing a full Medicaid Buy-In program. If HB 1613 should pass, it is our understanding this intermediate step would halt, as DHS would have to change their focus to implementing a full Medicaid Buy-In program, with an unforeseen start date.

Although Kal's Law does not currently provide the full benefits of a Buy-in program, it can be implemented this year and increase the amount of income an individual with a developmental disability could earn while retaining Medicaid eligibility.

Thank you for the opportunity to provide comments to HB 1613.

Sincerely,

Daintry Bartoldus
Executive Administrator

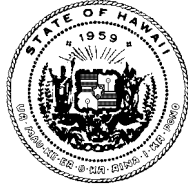
HB-1613

Submitted on: 1/28/2020 8:00:03 PM

Testimony for HSH on 1/31/2020 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carmie Spellman	Individual	Support	No

Comments:



LATE

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 30, 2020

TO: The Honorable Representative Joy A. San Buenaventura, Chair
House Committee on Human Services & Homelessness

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1613 – RELATING TO PERSONS WITH DISABILITIES**

Hearing: Friday, January 31, 2020, 8:30 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of the bill to ensure that individuals with disabilities have access to comprehensive and affordable healthcare coverage, and offers comments.

PURPOSE: The purpose of this bill is to require that DHS establish a Medicaid Buy-In Programs for individuals with disabilities. This bill would expand eligibility to current Medicaid benefits with capped premiums.

DHS has been working to expand coverage to working individuals with disabilities. Last session, the Legislature passed Act 155 (2019), known as Kal's bill, which requires DHS to implement an earned income disregard program. Additionally, DHS was required to submit an annual report on the implementation efforts for the earned income disregard, and make recommendations regarding a full Medicaid Buy-In program.

Through 2019, DHS worked extensively with stakeholders to design the earned income disregard program and is in the process of submitting the necessary requests to the Centers for Medicare and Medicaid Services (CMS) to implement. Given that, DHS recommended that a full Medicaid Buy-in program not be implemented at this time to allow time for evaluation of the earned income disregard that was passed last year.

DHS needs additional time to assess whether the eligibility changes in the bill would be accepted by CMS as well as additional time to analyze the financial impact of the bill. DHS would also like additional time to study other potential recommendations that it could make for a buy-in program, such as a different premium structure or a different set of Medicaid benefits targeted to this population. This analysis would help DHS be able to give the Legislature more options to design a program that maximizes benefit to the State while keeping expenditures low. While more research is needed, DHS believes that the present eligibility criteria and premium structure of this bill may result in the need for a large appropriation.

DHS also notes that this bill leaves out individuals between 101 and 138 percent of the Federal Poverty Level (FPL). DHS is pursuing earned income disregard for these individuals pursuant to Act 155 (2019). However, some features of the eligibility criteria under Act 155 (2019) are different than the eligibility criteria proposed in this bill. It is notable that individuals between 101 and 138 percent of the FPL have a disregard for their earned income under Act 155 (2019), while individuals above 138 percent of the FPL are eligible “without regard to the individual’s ability to engage in, or actual engagement in, substantial gainful activity” under this bill. The practical effect of this policy would be that individuals between 101 and 138 percent of the FPL must work, while individuals above 138 percent of the FPL do not have to work.

As this bill moves forward, DHS notes that it would need a large general fund appropriation both to pay for the new people being covered given the eligibility and premium structure, as well as the additional costs to administer the program. Since DHS currently does not charge or collect premiums, significant administrative infrastructure would be needed to support the program.

Thank you for the opportunity to testify on this bill.

Chair: Joy San Buenaventura
Vice Chair: Nadine Nakamura
House Committee on Human Services & Homelessness



Kayla Kunisaki
808-384-2704
Friday, 01/31/2020

Support for H.B. No. 1613 Relating to Persons with Disabilities

I am an employee of a nonprofit organization that empowers the community of adults with developmental and intellectual disabilities. Part of my job is to coach individuals to become job-ready for competitive employment. I have worked at many nonprofits with roles similar to the organization I am at now. Many of the clients I had the opportunity to work with were qualified for jobs but also struggled with the reality of losing some of their financial benefits once they became employed. It is essential that all persons have an equal opportunity for employment without having to worry about income affecting other finances. It should not be a choice between affording medical necessities and having a full time job. The whole goal is to make people as independent and able to contribute meaningfully to society. We do a disservice to both this community and society as a whole when we limit the options for individuals with disabilities.

With the rising training programs and push for equal opportunity in employment, it is necessary that this is reflected in the financial consequences of jobs for those with a disability. I sincerely hope that H.B. No. 1613 is passed as a way of further empowering the community of individuals with disabilities.