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# A BILL FOR AN ACT

RELATING TO PERSONS WITH DISABILITIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that working-age adults  
2 with disabilities need adequate health insurance, but their  
3 options for insurance coverage are limited, even with the  
4 federal Affordable Care Act. Many who have part-time jobs may  
5 not be covered through their employer prepaid health care  
6 insurance or employer-sponsored health insurance, forcing them  
7 to turn to government-sponsored programs, such as medicaid.  
8 However, those who earn more than the allowable amount will be  
9 ineligible for medicaid coverage, especially those who receive  
10 unearned income and have not paid into private or public  
11 disability insurance programs, such as social security  
12 disability insurance.

13           The medicaid buy-in programs, enabled by the federal  
14 Balanced Budget Act of 1997, Public Law 105-33, and the federal  
15 Ticket to Work and Work Incentives Improvement Act of 1999,  
16 Public Law 106-170, allow working adults with disabilities who  
17 do not have employer prepaid or employer-sponsored health care  
18 coverage or who earn more than the allowable ceiling to obtain



1   medicaid coverage. The medicaid buy-in programs also help  
2   persons who need secondary coverage through medicaid, including  
3   persons with medicare. In return, recipients typically buy into  
4   the medicaid program by paying premiums based on income. As of  
5   December 31, 2008, forty-two states were operating a medicaid  
6   buy-in program to extend medicaid coverage to working people  
7   with disabilities, with a total nationwide enrollment of more  
8   than ninety thousand persons.

9       The purpose of this Act is to establish a medicaid buy-in  
10   program for working people with disabilities and to make a  
11   matching fund appropriation for the employment training and  
12   placement program.

13       SECTION 2. Chapter 346, Hawaii Revised Statutes, is  
14   amended by adding a new section to be appropriately designated  
15   and to read as follows:

16       "§346-       Program to provide medical assistance to certain  
17   persons who are employed and have a disability. (a) There is  
18   established within the department a medicaid buy-in program for  
19   working people with disabilities. The purpose of the medicaid  
20   buy-in program for working people with disabilities is to  
21   furnish health care services to qualified persons who are  
22   employed and have disabilities.



1        (b) To qualify for the medicaid buy-in program for working  
2 people with disabilities, the recipient shall:

3        (1) Be a resident of the State;

4        (2) Be at least sixteen years of age;

5        (3) Have a disability as defined by the Social Security  
6 Administration;

7        (4) Be engaged in paid work, including part-time and  
8 full-time work;

9        (5) Have a gross income that does not exceed four hundred  
10 per cent of the federal poverty level for an  
11 individual or a couple, as determined by the  
12 department using the Social Security Administration's  
13 gross income calculation method; and

14        (6) Have non-exempt resources that do not exceed \$  
15 for an individual or \$            for a couple.

16        (c) The department shall establish the medicaid buy-in  
17 program for working people with disabilities by amending the:

18        (1) State plan in the manner set forth in Title 42 United  
19 States Code Section 1396a (a) (10) (A) (ii) (XIII) or  
20 Title 42 United States Code Section 1396a  
21 (a) (10) (A) (ii) (XV); and



1       (2) Section 1115 medicaid waiver for the QUEST expanded  
2       access managed care program from the federal  
3       government to carry out the medicaid buy-in program  
4       for working people with disabilities.

5       (d) The department may require a recipient participating  
6       in the medicaid buy-in program for working people with  
7       disabilities to pay a premium or other cost-sharing charges in a  
8       manner that is consistent with federal law.

9       (e) For purposes of this section, "medicaid buy-in" refers  
10      to an offer of health care services coverage to persons with  
11      disabilities who are working and earning more than the allowable  
12      limits under regular medicaid, for the purpose of providing  
13      health care coverage through medicaid.

14      (f) The department shall adopt rules pursuant to chapter  
15      91 necessary for purposes of this section."

16       SECTION 3. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$            or so much  
18 thereof as may be necessary for fiscal year 2011-2012 and the  
19 same sum or so much thereof as may be necessary for fiscal year  
20 2012-2013 for the employment training and placement program as  
21 the State's share of funding to be matched by federal funds  
22 received pursuant to medicaid buy-in; provided that \$           per



1 fiscal year shall be provided to the University of Hawaii for  
2 administration and setup under the direction of the department  
3 of human services.

4 The sums appropriated shall be expended by the department  
5 of human services for the purposes of this Act.

6 SECTION 4. New statutory material is underscored.

7 SECTION 5. This Act shall take effect upon its approval;  
8 provided that section 3 shall take effect on July 1, 2050.



**Report Title:**

Medicaid; Persons with Disabilities; Appropriation

**Description:**

Establishes a medicaid buy-in program for working people with disabilities. Makes matching fund appropriation for employment training and placement. Effective 07/01/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

