



GOV. MSG. NO. 1303

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

July 03, 2012

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

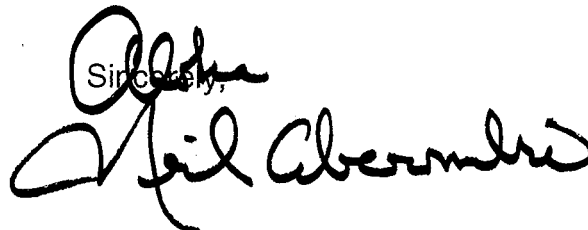
The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 03, 2012, the following bill was signed into law:

HB2415 HD2 SD1 CD1

RELATING TO MEDICAID.
Act 200 (12)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

Approved by the Governor

ORIGINAL

ACT 200

on JUL 3 2012

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE, 2012
STATE OF HAWAII

H.B. NO. 2415
H.D. 2
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO MEDICAID.

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

1 SECTION 1. The legislature finds that a significant
2 portion of the population of Hawaii receives federal or state
3 benefits for disabling conditions. Current state programs and
4 policies, including state-designed medicaid waiver programs,
5 create disincentives for individuals with disabilities to become
6 employed, maintain employment, or further their employment
7 goals.

8 The legislature also finds that it is advantageous to the
9 State's economic development and in the best interest of
10 Hawaii's citizens with disabilities to have programs and
11 policies that support employment. National studies have shown
12 that medicaid recipients who work cost approximately thirty per
13 cent less than those who do not work. Since 2005, Hawaii has
14 been the recipient of a federal Centers for Medicare and
15 Medicaid Services grant for the development of a medicaid
16 infrastructure program to design and implement a buy-in program
17 for individuals with disabilities who are employed and purchase



1 medicaid coverage authorized under the Ticket to Work and Work
2 Incentives Improvement Act of 1999 (P.L. 106-170). Besides the
3 Ticket to Work and Work Incentives Improvement Act of 1999,
4 other potential federal options for the creation of a buy-in
5 program include the 1997 Balanced Budget Act and a waiver
6 pursuant to section 1115 of title 42 United States Code, the
7 Social Security Act.

8 The legislature further finds that there are forty-five
9 states with a medicaid buy-in program for working individuals
10 with disabilities. A medicaid buy-in program in Hawaii could
11 generate up to \$300,000 in the first year of the program's
12 implementation and a total of \$2,500,000 over the first five
13 years.

14 The purpose of this Act is to identify and remove barriers
15 to employment for individuals with disabilities by establishing
16 a joint legislative task force to assist the department of human
17 services in exploring the development and possible
18 implementation of a medicaid buy-in program for working
19 individuals with disabilities.

20 SECTION 2. (a) There is established a joint legislative
21 task force to assist in exploring the development and possible



1 implementation of a medicaid buy-in program for working
2 individuals with disabilities.

3 (b) The chairperson of the senate committee on human
4 services and the chairperson of the house of representatives
5 committee on human services shall co-chair the joint legislative
6 task force.

7 (c) The task force shall include representatives from the
8 disability community, including but not limited to the
9 following:

- 10 (1) The department of human services, med-QUEST division;
- 11 (2) The department of human services, vocational
12 rehabilitation and services for the blind division,
13 services for the blind branch (ho'opono);
- 14 (3) Each of the QUEST expanded access plans;
- 15 (4) The department of health, developmental disabilities
16 division;
- 17 (5) The department of health, adult mental health
18 division;
- 19 (6) The department of health, disability and communication
20 access board;



- 1 (7) The department of labor and industrial relations,
- 2 workforce development council;
- 3 (8) The state rehabilitation council;
- 4 (9) The state council on developmental disabilities;
- 5 (10) The University of Hawaii, center on disability
- 6 studies;
- 7 (11) Hawaii Waiver Providers Association;
- 8 (12) One or more mental health clubhouses;
- 9 (13) The Hawaii Centers for Independent Living;
- 10 (14) The Hawaii Disability Rights Center;
- 11 (15) The National Federation of the Blind, Hawaii Chapter;
- 12 (16) The Hawaii Association of the Blind;
- 13 (17) The Aloha State Association of the Deaf;
- 14 (18) Hawaii Families as Allies, Hawaii Youth Helping Youth;
- 15 (19) Aloha Independent Living Hawaii;
- 16 (20) Consumer Family and Youth Alliance; and
- 17 (21) One or more representatives from each of the counties
- 18 of Hawaii, Kauai, and Maui.
- 19 (d) The task force shall explore the development and
- 20 possible implementation of a medicaid buy-in program based on
- 21 Hawaii's current medicaid income and asset limits, and subject



1 to approval to the federal Centers for Medicare and Medicaid
2 Services. The medicaid buy-in program shall be for working
3 individuals with disabilities and shall ensure the provision of
4 health care services to qualified individuals who are employed,
5 as demonstrated by proof of income in the form of pay stubs, tax
6 returns, or other official documentation, and have disabilities,
7 as defined by the department of human services.

8 (e) The task force shall submit a final report of its
9 findings, program recommendations, and proposed legislation, if
10 any, to the legislature no later than twenty days prior to the
11 convening of the 2013 regular session. The legislative
12 reference bureau shall assist the task force in drafting the
13 report and any proposed legislation to implement the task
14 force's recommendations; provided that the task force shall
15 submit a draft of the report and any proposed legislation to the
16 bureau no later than November 1, 2012.

17 (f) The members of the task force shall serve without
18 compensation and shall receive no reimbursement for expenses.

19 (g) The members of the task force shall not be considered
20 employees for the purposes of chapter 84, Hawaii Revised

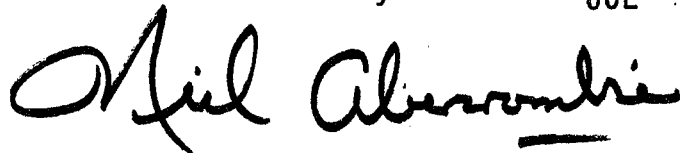


1 Statutes, based solely upon their participation in the task
2 force.

3 (h) The task force shall be dissolved on June 30, 2013.

4 SECTION 3. This Act shall take effect upon its approval.

APPROVED this 3 day of JUL , 2012



GOVERNOR OF THE STATE OF HAWAII

