

STAND. COM. REP. NO.

1149

Honolulu, Hawaii

MAR 27 2015

RE: H.B. No. 1236  
H.D. 1  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Human Services and Housing, to which was referred H.B. No. 1236, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PERSONS WITH DISABILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to encourage individuals with disabilities to gain employment and improve their employment opportunities through expanding their access to Medicaid by:

- (1) Establishing a Medicaid buy-in program within the Department of Human Services that will be implemented by July 1, 2018;
- (2) Establishing and appropriating funds for a Medicaid buy-in pilot program within the Department of Health that will be implemented by July 1, 2016, and terminated on June 30, 2018; and
- (3) Appropriating funds to the University of Hawaii Center on Disability Studies to prepare and conduct outreach and training relating to the Medicaid buy-in program for workers with disabilities.

Your Committee received testimony in support of this measure from the Department of Health, State Council on Developmental Disabilities, Lanakila Pacific, Disability and Communication

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Access Board, and seven individuals. Your Committee received comments on this measure from the Department of Human Services and Hawaii Disability Rights Center.

Your Committee finds that a significant portion of Hawaii's population receives federal or state benefits because of disabling conditions. Your Committee further finds that current state programs and policies, including state-designed Medicaid waiver programs, create disincentives for persons with disabilities to become employed, maintain employment, or increase their employment income. In 2012, a joint legislative task force was formed to explore the possibility of implementing a Medicaid buy-in program for individuals with disabilities who are not working or would like to earn more income, based upon Hawaii's Medicaid income and asset limits. Your Committee recognizes that encouraging individuals to gain and improve employment promotes fulfilling lives for individuals with disabilities and also promotes economic development.

Your Committee learned through testimony that establishing a working disabled adults eligibility group can be implemented more quickly and less expensively than a full-fledged Medicaid buy-in program, and that creating a pilot program would gather helpful information about this population. Accordingly, your Committee finds that establishing a two-part approach to assisting workers with disabilities is the best way to begin providing assistance to individuals with disabilities in the immediate future while working toward establishing a permanent Medicaid buy-in program in the future. The Department of Human Services is encouraged to work with the Medicaid buy-in task force on an ongoing basis to establish and evaluate the working disabled adults pilot program and the Medicaid buy-in program for workers with disabilities.

Your Committee has amended this measure by:

- (1) Inserting language to establish a two-year working disabled adults pilot program within the Department of Human Services to expand Medicaid eligibility for workers with disabilities, not require any payment by the working disabled adult, and disregard earned income in an amount determined by the Department but not less than \$1,000 per month;



- (2) Inserting an appropriation amount of \$730,000 to the Department of Human Services for the working disabled adults pilot program;
- (3) Eliminating the provision establishing an implementation date for the Medicaid buy-in program;
- (4) Eliminating the language establishing and appropriating funds for a Department of Health Medicaid buy-in pilot program;
- (5) Eliminating the appropriation to the University of Hawaii Center on Disability Studies and replacing it with language encouraging the Department of Human Services to collaborate with the Hawaii Center on Disability Studies for outreach, technical assistance, and evaluation;
- (6) Inserting an effective date of July 1, 2015, for the working disabled adults pilot program; provided that the pilot program will be repealed on June 30, 2017;
- (7) Inserting an effective date of July 1, 2017, for the Medicaid buy-in program; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1236, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1236, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Human Services and Housing**  
**HSH**

Bill / Resolution No.:* <i>HB 1236, HD1</i>	Committee Referral: <i>HSH, WAM</i>	Date: <i>3/24/15</i>		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
GREEN, Josh (VC)				✓
HARIMOTO, Breene	✓			
RIVIERE, Gil	✓			
SLOM, Sam				✓
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Breene Harimoto</i>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes