
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
18 medicaid coverage authorized under the Ticket to Work and Work



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

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

13 The purpose of this Act is to identify and remove barriers
14 to employment for individuals with disabilities by:

- 15 (1) Establishing a joint legislative task force to assist
16 the department of human services in the development
17 and implementation of a medicaid buy-in program for
18 working individuals with disabilities; and
- 19 (2) Requiring the department of human services to design
20 and implement the medicaid buy-in program for working
21 individuals with disabilities.



1 SECTION 2. (a) There is established a joint legislative
2 task force to assist in the development and implementation of a
3 medicaid buy-in program for working individuals with
4 disabilities.

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

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

12 (1) The department of human services, med-QUEST division;

13 (2) The department of human services, vocational
14 rehabilitation and services for the blind division,
15 services for the blind branch (ho'opono);

16 (3) Each of the QUEST expanded access plans;

17 (4) The department of health, developmental disabilities
18 division;

19 (5) The department of health, adult mental health
20 division;

21 (6) The department of health, disability and communication
22 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 develop and recommend a medicaid
- 20 buy-in program based on Hawaii's current medicaid income and
- 21 asset limits, which shall be submitted for approval to the
- 22 federal Centers for Medicare and Medicaid Services. The



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

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

16 (f) The members of the task force shall not receive
17 compensation for their service but shall be reimbursed for
18 necessary expenses, including travel expenses, incurred in the
19 performance of their duties under this Act.

20 (g) The members of the task force shall not be considered
21 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. (a) The department of human services shall
5 design and implement a program to allow individuals with
6 disabilities to purchase or maintain medicaid coverage to
7 support obtaining or maintaining employment. The program shall
8 be cited as the medicaid buy-in program for working individuals
9 with disabilities, or any other suitable name, as agreed upon by
10 the department and the joint legislative task force established
11 pursuant to this Act.

12 (b) The department of human services shall design and
13 implement the medicaid buy-in program for working individuals
14 with disabilities based on the report and recommendations of the
15 task force no later than July 1, 2014.

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



Report Title:

Medicaid Buy-in Program; Department of Human Services; Task Force; Report

Description:

Establishes a joint task force to assist the department of human services in the development and implementation of a medicaid buy-in program for working individuals with disabilities. Requires the department of human services to design and implement a medicaid buy-in program for working individuals with disabilities no later than 7/1/2014. (SD1)

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

