

**INTERIM REPORT OF THE  
MEDICAID BUY-IN TASK FORCE  
TO THE LEGISLATURE FOR  
THE REGULAR SESSION OF 2013**

**In Accordance with Act 200,  
Session Laws of Hawaii 2012**

**Prepared by the  
LEGISLATIVE REFERENCE BUREAU**

**On Behalf of the  
MEDICAID BUY-IN TASK FORCE**

**STATE OF HAWAII**

**January 2013**

## INTRODUCTION

### **Act 200, Session Laws of Hawaii 2012**

Act 200, Session Laws of Hawaii 2012, (Act or Act 200) established a joint legislative Task Force to assist in exploring the development and possible implementation of a Medicaid buy-in program for working individuals with disabilities based on Hawaii's current Medicaid income and asset limits, subject to approval of the federal Centers for Medicare and Medicaid Services. The Act envisioned a Medicaid buy-in program designed for working individuals, as demonstrated by proof of income, with disabilities, as defined by the Department of Human Services, to ensure the provision of health care services to those qualified individuals.

(A copy of the Act is attached as Appendix A.)

Act 200 noted that current state programs and policies, including state-designed Medicaid waiver programs, create disincentives for individuals with disabilities to become employed, maintain employment, or further their employment goals. National studies indicate that Medicaid recipients who work cost state programs approximately thirty per cent less than those who do not work. Therefore, the Legislature found that it was advantageous to the State's economic development and in the best interests of Hawaii's citizens with disabilities to have programs and policies that support employment of disabled persons.

Act 200 required the Task Force to submit a final report of its findings and program recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the 2013 Regular Session of the Legislature. The Legislative Reference Bureau was directed to assist the Task Force in drafting the report and any proposed legislation to implement the recommendations of the Task Force, provided that the Task Force submitted to the Bureau a draft of the report and legislation. As of January 20, 2013, the Bureau has not received a draft of the report or any proposed legislation from the Task Force. The only information available to the Bureau was the minutes of the December 11, 2012, meeting of the Task Force, which is the basis of this report. Act 200 dissolves the Task Force on June 30, 2013.

This report constitutes the Task Force's report of 2013, which includes a summary of the Task Force's meeting minutes and recommendations to the Legislature.

## INTERIM REPORT

### Membership of the Task Force

The Act provided that the chairperson of the Senate Committee on Human Services and the chairperson of the House of Representatives Committee on Human Services serve as co-chairs of the joint legislative Task Force. Representatives from public sector agencies and the disability community designated as Task Force members included the following:

- (1) Department of Human Services, Med-QUEST Division;
- (2) Department of Human Services, Vocational Rehabilitation and Services for the Blind Division, Services for the Blind Branch (Ho'opono);
- (3) Each of the QUEST Expanded Access Plans;
- (4) Department of Health, Developmental Disabilities Division;
- (5) Department of Health, Adult Mental Health Division;
- (6) Department of Health, Disability and Communication Access Board;
- (7) Department of Labor and Industrial Relations, Workforce Development Council;
- (8) State Rehabilitation Council;
- (9) State Council on Developmental Disabilities;
- (10) University of Hawaii, Center on Disability Studies;
- (11) Hawaii Waiver Providers Association;
- (12) One or more mental health clubhouses;
- (13) Hawaii Centers for Independent Living;
- (14) Hawaii Disability Rights Center;
- (15) National Federation of the Blind, Hawaii Chapter;
- (16) Hawaii Association of the Blind;
- (17) Aloha State Association of the Deaf;
- (18) Hawaii Families as Allies, Hawaii Youth Helping Youth;
- (19) Aloha Independent Living Hawaii;
- (20) Consumer Family and Youth Alliance (now the Community Alliance for Mental Health); and
- (21) One or more representatives from each of the Counties of Hawaii, Kauai, and Maui.

At the December 11, 2012, meeting of the Task Force, the following members were present: Ann Moriyasu, University of Hawaii, Center on Disability Studies; Annette Shea; Arthur Cabanilla, State Rehabilitation Council; Cassandra Kam/The Arc in Hawaii; Chin Lee, the University of Hawaii, Center on Disability Studies; Connie Liu, Legal Aid Services Hawaii; Cookie Moon-Ng, MedQUEST; Dave Heywood/United Healthcare, Department of Health, Developmental Disabilities Division; David Fray, Department of Labor; David Oncha; Desiree Kane, Lanakila Pacific; Donna Ching; Dr. Kenneth Fink, Department of Human Services, Med-QUEST Division; Ellen Awai; Francis Satimbre, Steadfast Housing Development Corporation; Fred Atlan; Helga Cabanilla; Jean Johnson, University of Hawaii, Center on Disability Studies; Jim Dixon; Joy Marshall, League of Women Voters; Karen Alohilani Hue Sing; Kendall Matsuyoshi; Landa Philan (in place of Myles Tamashiro), The Hawaii Association for the Blind;

Landra Pchelan; Lesley Shibata, Steadfast; Lisa-Marie Tam, University of Hawaii, Center on Disability Studies; Louis Erteschik, Hawaii Disability Rights Center; Macey Luo, United Self-Help; Mark Oto, Hawaii Medical Service Association; Matt Wilcox; Melissa Gibo, Catholic Charities Hawaii & Hawaii Waiver Providers Association; Noelani Wilcox; Paulette Tam; Philip Ana, Department of Health; Phyllis Dendle; Ronald Deese, University of Hawaii, Center on Disability Studies; Russell Honua; Ruth Caldwell, Department of Labor and Industrial Relations; Scott Wall, Community Alliance for Mental Health; Senator Suzanne Chun Oakland, Chairperson of the Senate Committee on Human Services; Susan Miller, University of Hawaii, Center on Disability Studies; and William Mihalke, University of Hawaii, Center on Disability Studies.

## **Actions of the Task Force**

The initial convening of the Task Force was delayed because of the unavailability of the co-chair from the House of Representatives. As a result, the first meeting of the Task Force occurred at the State Capitol on December 12, 2012.

At this meeting, Susan Miller and William Mihalke from the University of Hawaii Center on Disability Studies provided a brief background of the federal legislation that provides general guidelines for establishing a Medicaid buy-in program: the Balanced Budget Act of 1997 and the Ticket to Work and Work Incentives Improvement Act of 1999. The Medicaid Infrastructure Grant program of 2001 began the process for state development of Medicaid buy-in programs. By 2005, twenty-nine states had implemented Medicaid buy-in programs. Since 2005, Hawaii has been the recipient of Medicaid Infrastructure Grant funds from the federal Centers for Medicare and Medicaid Services for the development of a Medicaid infrastructure program to design and implement a buy-in program for individuals with disabilities who are employed and purchase Medicaid coverage authorized under the Balance Budget Act of 1997 and the Ticket to Work and Work Incentives Improvement Act of 1999. Susan Miller and William Mihalke noted that currently, forty-five states have Medicaid buy-in programs.

After the brief background presentation, Susan Miller and William Mihalke discussed Hawaii's consideration of a Medicaid buy-in program to date. They reported the following:

- (1) In Hawaii, there are two specific populations that would benefit most:
  - (A) Individuals who participate in the Developmental Disabilities Waiver Program; and
  - (B) Individuals who receive Title II benefits. However, individuals who did not pay into the system have better work incentives than those who worked or came from working families that paid into the system;
- (2) An adult participant in the Developmental Disabilities Waiver Program is unlikely to have access to needed disability benefits even though the developmentally disabled adult participant's parents paid into the system; and

- (3) The Affordable Care Act (ACA) is intended to provide health insurance coverage to those who do not have it. The ACA provides a Title II beneficiary some healthcare benefits; but would not provide necessary healthcare to a person with a significant mental disability. The ACA generally does not apply to a person who already has health coverage, including Medicare.

Dr. Kenneth Fink from the Department of Human Services, Med-QUEST Division provided information on the interaction of the ACA and a Medicaid buy-in program. Dr. Fink reported that:

- (1) The ACA allows people to save money and provides access to affordable healthcare;
- (2) In Hawaii, the gap group consists of disabled persons working less than twenty hours a week who are not employer sponsored;
- (3) A Medicaid buy-in program would be subject to the standard federal Medicaid matching rate, which would ultimately reduce the amount of federal funding that would be received by the State by removing healthcare users from the health insurance exchange, thereby causing the health insurance exchange to be less affordable;
- (4) There may be more cost-effective methods to provide better healthcare services for the working disabled population of Hawaii; and
- (5) The Task Force must also consider the cost vs. the benefit provided if establishing a Medicaid buy-in program, especially in light of the ACA, and possibilities that the ACA option would be more affordable for the State because of a higher federal contribution.

After Dr. Fink's presentation, the meeting was opened to discussion. The following issues were discussed:

- (1) The ACA's intended application to people with disabilities who need extended care;
- (2) Employment decisions made based upon the availability of benefits and services, including personal care and pharmacy;
- (3) Whether the focus of any change should be on providing necessary clinical services of those with disabilities;
- (4) The need for clarification of the goal of a Medicaid buy-in program and the available data;
- (5) Whether the State should address this issue by adding additional benefits to existing programs;
- (6) Asset limits under the ACA;
- (7) The affordability of patient services and specific wrap-around services;
- (8) Clarification of the WRAP program and eligible individuals;
- (9) Title 16 benefits and its application to the disabled;
- (10) The PASS plan and the possibility of ACA averaging fluctuation income as part of the prescriptive budget;

- (11) The need to define the target population, what services are to be provided, and the most effective way to package those services; and
- (12) Personal experiences of those concerned with maintaining healthcare coverage.

Scott Wall from the Community Alliance for Mental Health expressed concern for a lack of specialized behavioral services coverage and prescription drug coverage for private insurance plans that may be offered with ACA market plans.

The Task Force agreed to meet again in January, 2013.

(A copy of the December 11, 2012, meeting minutes is attached as Appendix B.)

### **Recommendations to the Legislature**

As noted before, the Act dissolves the Task Force on June 30, 2013. Given the scheduling difficulties of the Task Force and complex nature of the issue, the Task Force was unable to complete its responsibilities under Act 200, Session Laws of Hawaii 2012. Based upon the Bureau's understanding that the Task Force intended to recommend that the life of the Task Force be extended for one year, the Bureau drafted and submitted to the Task Force legislation to amend Act 200 to provide that the Task Force shall dissolve on June 30, 2014, instead of June 30, 2013. The proposed amendment to the Act is attached as Appendix C.

(Note: The Task Force met on January 23, 2013, and approved this report.)

Appendix A

Approved by the Governor  
on     JUL 3     2012  
HOUSE OF REPRESENTATIVES  
TWENTY-SIXTH LEGISLATURE, 2012  
STATE OF HAWAII

ORIGINAL

ACT 200

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

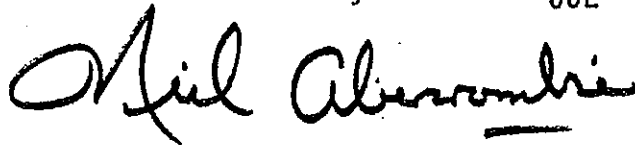


1 Statutes, based solely upon their participation in the task  
2 force.

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



## Appendix B

THE SENATE HOUSE OF REPRESENTATIVES  
THE TWENTY-SIXTH LEGISLATURE INTERIM OF 2012

### MEDICAID BUY-IN TASK FORCE

Senator Suzanne Chun Oakland, Co-Chair

Rep. John M. Mizuno, Co-Chair

Date: Tuesday, December 11, 2012

Time: 2:00 pm - 3:30 pm

Place: Conference Room 229, State Capitol, 415 South Beretania Street.

#### Attendees:

Ann Moriyasu, The University of Hawaii, Center on Disability Studies; Annette Shea (Centers for Medicare / Medicaid Services, on phone from Baltimore); Arthur Cabanilla, SRC; Cassandra Kam/The Arc in Hawaii; Chin Lee, The University of Hawaii, Center on Disability Studies; Connie Liu/LASH; Cookie Moon-Ng, MedQUEST; Dave Haywood/UHC; David Fray, Department of Health, Developmental Disabilities Division; David Fray, DOL; David Oneha; Desiree Kane, Lanakila Pacific; Donna Ching; Dr. Kenneth Fink, Department of Human Services, Med-QUEST Division; Ellen Awai; Francis Satimbre, SHDC; Fred Atlan; Helga Cabanilla; Jean Johnson, The University of Hawaii, Center on Disability Studies; Jim Dixon; Joy Marshall, League of Women Voters; Karen Alohilani Hue Sing; Kendall Matsuyoshi; Landa Philan (in place of Myles Tamashiro), The Hawaii Association for the Blind; Landra Pchelan; Lesley Shibata, Steadfast; Lisa-Marie Tam, The University of Hawaii, Center on Disability Studies; Louis Erteschik, Hawaii Disability Rights Center; Macey Luo, United Self-Help; Mark Oto, HMSA; Matt Wilcox; Melissa Gibo, Catholic Charities Hawaii & HWPA; Noelani Wilcox; Paulette Tam; Philip Ana, DOH ; Phyllis Dendle; Ronald Deese, The University of Hawaii, Center on Disability Studies; Russell Honua; Ruth Caldwell, DLIR; Scott Wall, Community Alliance for Mental Health; Senator Suzanne Chun Oakland, Senate Committee on Human Services; Susan Miller, The University of Hawaii, Center on Disability Studies; William Mihalke, The University of Hawaii, Center on Disability Studies.

**Not in Attendance:** Rep. Mizuno (off island).

#### AGENDA

"The Medicaid Buy-In Task Force is a joint legislative task force created through Act 200, SLH 2012.

The purpose of the Medicaid Buy-In Task Force is to explore the development and possible implementation of a Medicaid Buy-In program based on Hawaii's current Medicaid income and asset limits, and subject to approval by the Federal Center for Medicare and Medicaid Services. The Medicaid Buy-In program is meant to be available for working individuals with disabilities and shall ensure the provision of health care services to qualified individuals who are employed, as demonstrated by proof of income in the form of pay stubs, tax returns, or other official documentation, and have disabilities as defined by the Department of Human Services.

Legislators; Dr. Kenneth Fink, Administrator of the Department of Human Services' Med-QUEST Division; and with various organizations and individuals will be participating in the discussion."

**Meeting Called to Order by: Senator Suzanne Chun Oakland at 2:08pm**

- I. Welcome and Introductions
- II. Brief History of Medicaid Infrastructure Grant and Ticket to Work and Work Incentives Improvement Act –UH Center on Disability Studies (Susan Miller and William Mihalke)
  - 1997 Congress passed the balanced budget act
  - 1999 Ticket to work passed by Congress (Gov. Abercrombie was one of the co-sponsors)
  - 2001 MIG Funded began the process state-by-state
  - 2005 While Gov. Lingle in office, 29 states had already implemented Medicaid buy-ins, Hawaii begins researching
- III. Hawaii's Consideration of Medicaid Buy-In (2005-present) –UH Center on Disability Studies (Susan Miller and William Mihalke)
  - a. Hundreds of millions of dollars were spent to address the need for people with disabilities, where the statistic was that less than 1/2 of 1% of people who need to be in that process returned to work.
  - b. In Hawaii, there are two specific populations that would benefit most, 1) Those who use the DD waiver and 2) Those who are Title II. The irony is that the folks who did not pay into the system have better work incentives than those who worked, came from working families that paid into the system (where adult child gets beneficiary of the system)
  - c. If you're an adult on DD waiver, the likelihood your parents paid into the system is really high and these folks tend to not have access to needed benefits.
  - d. Presently, there are 45 states with a buy-in.
  - e. The affordable care act was to help provide coverage to those who did not have it. It would give a Title II beneficiary some healthcare, but it would not give a person with a significant mental disability the healthcare that he/she needs. It generally says that if a person has health coverage (incl. Medicare), they are not the target population for affordable care.
- IV. How Affordable Care Act and MBI Interact –Department of Human Services and Centers for Medicare and Medicaid Services (Dr. Fink)
  - a. Provided background information about the ACA
    - i. ACA allows people to save money and gives people access to affordable health care.
      1. *"ACA ensures access to affordable health care for all."*
    - ii. The gap group is those working less than 20 hours who are not employer sponsored.
      1. *"A gap group and those most likely to benefit from ACA are individuals working less than 19 hours a week and not receiving employer sponsored health insurance."*
  - b. A buy-in would be subject to the standard federal matching rate and his concern starts with the eligibility requirements
    - i. *"A buy-in program would be subject to the standard federal match rate. It's important to know specifically the purpose of a buy-in program such as what population, for what purpose, at what income level."*
    - ii. A buy-in program would reduce the amount of federal funding received by the state by dividing its healthcare users, causing the exchange to be less affordable to others
      1. *"A buy-in program would reduce the amount of federal funding received by the state for individuals otherwise eligible for tax credits through the insurance exchange and could negatively impact the sustainability of the insurance exchange."*
  - c. Stressed the importance of understanding the entire situation.
- V. Other Options for Work Incentives for Working People with Disabilities –Department of Human Services
- VI. Open Discussion and Other Questions

- a. Annette Shea from CMS (phone)
  - i. Conveyed that affordable care is not intended for people with disabilities who need extended care. The people who are accessing the medical buy-in are accessing it because they need the services.
  - ii. Example provided: Massachusetts has more than 20,000 people on the Medicaid buy-in and 80% of them come from expanded Medicaid benefits. Many of the participants have the option of accessing Medicaid and employer sponsored health care.
    - 1. People are making employment decisions on the availability of benefits services such as personal care and pharmacy.
    - 2. Those entering the workforce need the health services to stabilize them as they go toward employer sponsored insurance.
- b. Dr. Fink
  - i. It would take least 1-2 years to get the clarification of the goal of the buy-in program. It's important to identify the clinical needs for the services people need access to.
    - 1. *"It's taken 1-2 years to learn that the goal as stated at the beginning of the meeting was to preserve access to DD waiver services and specialized behavioral health services."*
  - ii. Mentions that the impact of Affordable Care Act Medicaid Expansion on Hawaii's focus is not income. The ACA allows people to save money and still be eligible for Medicaid. They expect people to be able to save money by eliminating an asset requirement.
    - 1. *"ACA expands eligibility in Hawaii by lifting the asset limit on individuals eligible not on the basis of being ABD. This allows individuals to save money without losing Medicaid eligibility."*
  - iii. Pointed out that there is a need for clarification regarding the available data. Looking at the report from Susan Miller (2009), the data may have changed and he is unsure of which data to rely on.
  - iv. We need to look at the affordability of patient protections and specific wrap-around services
  - v. Question for those who are able to work: Would they meet the functional status for eligibility?
  - vi. Question: A buy-in program would result in a loss of federal million dollars (federal matching rate). It's cheaper to use federal funds otherwise, rather than to have a buy-in program. If the state wanted to add on additional benefits, you could do this. Can we see if the state can make these services available? This would bring more federal funds.
  - vii. *"When people are stable, they don't need the healthcare services as much. The benefits can become mandated in, but the state would have to bear the full costs. The state can mandate any services, but they will have to bare the fiscal responsibility."*
    - 1. *Clarification that this applies to the benefit package of qualified health plans offered through the insurance exchange*
  - viii. The more people pulled out of the health insurance exchange, the more expensive the insurance exchange
    - 1. *"The more people that did not purchase through the insurance exchange, the less affordable Qualified Health Plans (QHP) become for individuals purchasing through the exchange."*
  - ix. The ACA has a substantially higher federal contribution than the buy-in.
  - x. Question: If we did a buy-in, what is the federal match?

1. Annette Shea: "The buy-in would be in the 51% federal match."
- xi. There would be an amendment made to support peer specialists, clubhouses; public hearings were held.
  1. *"MQD intends to submit a section 1115 demonstration waiver that, among other things, seeks the authority to receive federal matching funds for clubhouse, representative payee, supportive employment, supportive housing, and peer specialist. Public hearings were held."*
- xii. The state perspective would be that even if you mandate the insurance exchange, it won't be pre-paid, and it won't be accessible. Still, it depends on the policy.
  1. Senator Suzanne Chun Oakland: Perhaps it should be said that the state is willing pay, but for those with a certain income, people would have to pay.
- c. Cookie Moon-Ng
  - i. Provided clarification about what a WRAP program is and how it can help those who are eligible; individuals who make more than \$34-35,000/year.
  - ii. Pointed out that there is a need to think of the buy in from the issue of what the goal, population and packages are.
  - iii. Discussed Title 16 benefits and stated that "133%" does not apply to the disabled population.
  - iv. Addressed the disregards in respect to having a PASS Plan and the possibility of ACA averaging fluctuation income as a part of the prescriptive budget
  - v. Stated that we need to decide:
    1. Who the target population is (who qualifies)
    2. What services you are to be provided
    3. How to package them
- d. Ellen Awai
  - i. Gave an example of her personal situation and stressed the problem that she is forced to limit her income in order to continue receiving the necessary mental and physical health services she requires, as she is considered Title II.
- e. Scott Wall
  - i. Personally wants to buy-in because he knows he will end up in the hospital, you need them you need them ready for you. We can include these services as mandatory based on need (they won't be needed all the time). The people who are most likely to use are those who are likely to succeed.
- f. Senator Suzanne Chun Oakland
  - i. Identified that there is a need to know what is currently NOT covered by HMSA. Mark (HMSA) acknowledged that there are things not covered by HMSA that need to be identified. However, the current PPO coverage is on the commissioner site under Hawaii State Gov. Kaiser does not cover club house, rehabilitation, and psychiatric services.
  - ii. Clarified that our target coverage are Behavioral health, mental, and physical disability where specialized behavioral services and specialized medical equipment are needed.
  - iii. Wants to know what CDS wants.
- g. Karen Alohilani Hue Sing
  - i. Expressed her concern for always having to spend down and lower her income to get the benefits she needs such as durable medical equipment, waiver, and personal assistance in order to sustain employment. She's been setting her business up, but she doesn't have the answers [she needs].
  - ii. Suggests that the goal be to allow people with different challenges to get affordable



and appropriate healthcare.

- h. William Mihalke
  - i. With PASS, he suggests that not all VR clients are doing PASS and it is a very small group that utilizes PASS for a limited amount of time.
    - 1. Cookie suggested that perhaps PASS can be strengthened with DVR.
- i. Noelani Wilcox
  - i. Expressed concern that certain populations may be left out as well. We need to be very clear on the populations. People want it seamless. They're already stressed because of their situation.
  - ii. Question: If you're able to pay into a system, and have been employed, what the recourse will be? Then you have a DD population who haven't worked before.
  - iii. The goal is to have a seamless insurance option, so no matter what you earn, you get coverage and additional supports.
- j. David Oneha
  - i. Self-example: worked in hotel and film industry. He just lost his COBRA, needed to purchase his own insurance.
  - ii. He wants to know where he fits in because he needs the comfort of knowing he'll have health insurance.
    - 1. Senator Suzanne Chun Oakland mentioned that come 2014, he should be able to get some coverage on a sliding scale.
    - 2. William Mihalke pointed out that 133 in ACA is from an IRS POV, versus the health care world calculation.
- k. Louis Erteschik
  - i. Last year there was reluctance on the buy-in. Is the department saying there's a better/cheaper plan available instead of the buy-in?
    - 1. Senator Chun: We need to check and see. The Feds cover the vast majority of the health connector.

**VII. Next meeting to reconvene in January, 2013.**

- a. Possibly on January 11<sup>th</sup>, at 3pm in the same location.
- b. Everyone to think on what was said today and to keep a lookout for the next notice.

**Meeting Adjourned at: 3:48pm.**

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A BILL FOR AN ACT

RELATING TO MEDICAID.

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

1           SECTION 1. Act 200, Session Laws of Hawaii 2012, section  
2 2, is amended as follows:

3           1. By amending subsection (e) to read as follows:

4           "(e) The task force shall submit [~~a~~] an interim and final  
5 report of its findings, program recommendations, and proposed  
6 legislation, if any, to the legislature no later than twenty  
7 days prior to the convening of the 2013 and 2014 regular  
8 [~~session-~~] sessions, respectively. The legislative reference  
9 bureau shall assist the task force in drafting the [~~report~~]  
10 reports and any proposed legislation to implement the task  
11 force's recommendations; provided that the task force shall  
12 submit a draft of the interim and final report and any proposed  
13 legislation to the bureau no later than November 1, 2012[~~-~~] and  
14 November 1, 2013, respectively."

15           2. By amending subsection (h) to read as follows:

16           "(h) The task force shall be dissolved on June 30, [~~2013-~~]  
17 2014."



# S.B. NO.

1           SECTION 2. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

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

4

INTRODUCED BY: \_\_\_\_\_



# S.B. NO.

**Report Title:**

Medicaid Buy-In; Department of Human Services; Task Force;  
Extension

**Description:**

Extends the termination date of the Medicaid buy-in task force to 6/30/2014. Requires submission of an interim and final report.

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

