

HOUSE BILL REPORT

HB 1199

As Reported by House Committee On:
Health Care & Wellness
Appropriations

Title: An act relating to health care for working individuals with disabilities.

Brief Description: Concerning health care for working individuals with disabilities.

Sponsors: Representatives Cody, DeBolt, Jinkins, Harris, Tharinger, Caldier, Robinson, Macri, Schmick, Stonier, Slatter, Wylie, Tarleton, Frame, Pollet and Riccelli.

Brief History:

Committee Activity:

Health Care & Wellness: 1/30/19, 2/6/19 [DP];
Appropriations: 2/21/19, 2/25/19 [DPS].

Brief Summary of Substitute Bill

- Prohibits the Health Care Authority (Authority) from establishing restrictions for the Health Care for Workers with Disabilities (HWD) program based on a person's income or maximum age.
- Directs the Authority to seek federal approval to exclude resources earned while a person is enrolled in the HWD program from being counted when establishing eligibility for a Medical Assistance program.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 15 members: Representatives Cody, Chair; Macri, Vice Chair; Schmick, Ranking Minority Member; Caldier, Assistant Ranking Minority Member; Chambers, Davis, DeBolt, Harris, Jinkins, Maycumber, Riccelli, Robinson, Stonier, Thai and Tharinger.

Staff: Chris Blake (786-7392).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A person may qualify for federal Social Security benefits if the person has a disability that does not allow the person to engage in any substantial gainful activity because of a medically-determinable physical or mental impairment that is expected to result in death, or that has lasted or is expected to last for a continuous period of at least 12 months. The program includes several types of employment supports that are intended to help a person find a job, protect cash and medical benefits while the person works, and save for education. One of these supports is the federal Ticket to Work program. One element of the Ticket to Work program allows a person returning to work to buy in to Medicaid coverage.

Washington has implemented the Medicaid buy-in element of the Ticket to Work program through the Health Care for Workers with Disabilities (HWD) program. To qualify for the HWD program, a person must be age 16 through 64, meet federal disability standards, have a net income at or below 220 percent of the federal poverty level, and be employed either full- or part-time. Enrollees in the HWD program must pay a premium based on a sliding scale that is not to exceed 7.5 percent of the enrollees income.

Summary of Bill:

The Health Care Authority (Authority) may not establish eligibility restrictions for the Health Care for Workers with Disabilities (HWD) program based on a person's income or maximum age. Information about a person's income may only be used to establish cost sharing requirements.

The Authority must seek federal approval to exclude resources earned during a person's enrollment in the HWD program from being counted as resources when the person is establishing eligibility for another Medical Assistance program.

Appropriation: None.

Fiscal Note: Requested on January 23, 2019.

Effective Date: The bill takes effect on January 1, 2020.

Staff Summary of Public Testimony:

(In support) This bill helps people with disabilities who want to go back to work but are afraid that they may lose their Medicaid coverage. This bill eliminates the income cap and age limit and asks the federal government to protect the person's assets so they can easily move back on to Medicaid services without having to spend down their assets. People who would like to work more hours find themselves limited by the Health Care for Workers with Disabilities (HWD) program income limit. By allowing the income cap to go up it allows people to pay for more of their other services and be more self-sufficient in the community. It does not make sense to have people lose eligibility for the HWD program at age 65 because many people want to work beyond that age.

This bill will make a tremendous impact on the quality of life for many people with disabilities. This bill will help people maintain their ability to live in the community. Medicaid helps people pay their for their medicine, health care, and other supports that people need to be successful. The additional supports provided by Medicaid are not available in traditional health insurance programs and without them people would not be able to live in the community or maintain their jobs. Medicaid provides nearly all of the vital supports for people with disabilities, such as personal care, employment supports and residential services. The HWD program was created to address these issues but needs to be updated to reflect today's realities. As people make more money they face impossible choices; they either have to lose their benefits or cut their hours. Individuals need to suppress their opportunities to earn more wages because they fear losing their Medicaid supports and services.

(Opposed) None.

Persons Testifying: Representative Cody, prime sponsor; Cathy Murashi, The ARC of King County; Susan Harrell; Joey Wilson; and Darla Helt.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 33 members: Representatives Ormsby, Chair; Bergquist, 2nd Vice Chair; Robinson, 1st Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Cody, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Jinkins, Kraft, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Stanford, Steele, Sullivan, Sutherland, Tarleton, Tharinger, Volz and Ybarra.

Staff: Catrina Lucero (786-7192).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care & Wellness:

A null and void clause was added, making the bill null and void unless funded in the omnibus appropriations act.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on January 1, 2020. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) This bill will have a large impact on people with disabilities and their ability to work. The need for this bill is a positive sign as it indicates that people with disabilities are working and are increasing their earnings. Right now, people are having to choose between working more hours and earning more money or keeping their Medicaid benefit. Medicaid provides additional wrap-around supports that are not included in traditional insurance. These services are necessary for people to be functional in their communities. The Health Care for Workers with Disabilities program needs to be updated to reflect today's reality. As people earn more they also pay more in premiums which keeps the costs low for the state. Microsoft partners with employers to support people with disabilities accessing and maintaining employment. Removing the income thresholds lets people focus on doing their work and not on how it may impact their Medicaid eligibility. People are forced to turn down hours or raises in order to keep their Medicaid benefits. Employment helps people with disabilities feel more connected to their communities.

(Opposed) None.

Persons Testifying: Representative Cody, prime sponsor; Cathy Murahashi, The Arc of King County; Gillian MaGuire, Microsoft; Joey Wilson; and Noah Sidel, Office of Developmental Disabilities Ombuds.

Persons Signed In To Testify But Not Testifying: None.