

HOUSE BILL REPORT

HB 2364

As Reported By House Committee On:

Health Care
Appropriations

Title: An act relating to eliminating employment barriers for individuals with disabilities.

Brief Description: Eliminating employment barriers for individuals with disabilities.

Sponsors: Representatives Cody, Carlson, Edmonds, Parlette, Edwards, Kastama, Conway, Schual-Berke, Kagi, Kenney, Tokuda, Murray, Ogden, Ruderman, McDonald, Stensen, Van Luven, Lovick, Veloria, Poulsen, Wood, Kessler, Regala, Reardon, Cooper, Anderson and Santos.

Brief History:

Committee Activity:

Health Care: 1/21/00, 2/4/00 [DPS];
Appropriations: 2/7/00 [DP2S(w/o sub HC)].

Brief Summary of Second Substitute Bill

- Maintains Medicaid coverage for individuals with disabilities who go to work and receive earned income.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Cody, Democratic Co-Chair; Parlette, Republican Co-Chair; Pflug, Republican Vice Chair; Schual-Berke, Democratic Vice Chair; Alexander; Campbell; Conway; Edmonds; Edwards; Mulliken; Pennington and Ruderman.

Staff: David Knutson (786-7146).

Background:

Congress enacted the Ticket to Work and Work Incentives Improvement Act in November 1999. The legislation authorizes individuals with disabilities to use a ticket to work and self-sufficiency to obtain employment services, vocational rehabilitation services, or other support services from an employment network of the individual's choice. The legislation also gives the state greater flexibility in removing barriers to employment for individuals with disabilities. States are given the option to modify Medicaid income and resource limits for individuals with disabilities who are earning an income. States may also allow working individuals with disabilities to buy into Medicaid even though they are no longer eligible for federal disability benefits.

Summary of Substitute Bill:

The Department of Social and Health Services will continue Medicaid coverage for individuals with disabilities who go to work. The department will establish earned income disregards, cost sharing, and a schedule of premiums that eliminate disincentives to work. The department will also participate in the development of a ticket to work program that allows individuals with disabilities to choose their provider of vocational rehabilitation services, employment services, and other support services.

Substitute Bill Compared to Original Bill: The eligibility for continued Medicaid coverage is made more specific. The department's authority to impose cost sharing and a schedule of premiums is clarified.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on October 1, 2000.

Testimony For: This legislation will allow individuals with disabilities to go to work. Individuals with disabilities will be able to become more independent.

Testimony Against: None.

Testified: Tom Bedell, Medical Assistance Administration, Department of Social and Health Services; Jeanne Munro, Division of Vocational Rehabilitation, Department of Social and Health Services; Toby Olson, Governor's Committee on Disability Issues and Employment; Skip Dreps, Paralyzed Veterans of America; Andrew Warber, Coastal Community Advocates; Ellen O'Brien Saunders, Workforce Training and Education Coordinating Board; Cherie Tessier, Bill Sellers, Cathy Lacefield, and Tricinda Mayfield, The Arc of Washington, The Arc of King County and People First

of Washington; Tom Richardson and Evelyn Symes, National Association of Mentally Ill Washington; Eleanor Owen, Washington Advocates for Mentally Ill; Lonnie Johns Brown, P-2000; and Ed Holen, Developmental Disabilities Council.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 32 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Alexander; Benson; Boldt; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Sump; Tokuda and Wensman.

Staff: Amy Hanson (786-7118).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care: The bill is null and void unless funded in the budget.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect on October 1, 2000. However, the bill is null and void unless funded in the omnibus appropriations act.

Testimony For: This bill 2364 presents an opportunity to move ahead on federal legislation. Health care and coverage prevent many disabled individuals from gaining employment. Individuals with developmental disabilities want to work. The major roadblock to working is retention of Medicaid coverage. There is a concern that the fiscal note does not reflect the impact of allowing these individuals to work and contribute to the economy, support their families, and contribute to the cost of their care. People with disabilities are actively engaged in the struggle to pay taxes. It is difficult to find employment for these individuals due to restrictions on the number of hours they may work so as to maintain Medicaid coverage. This bill is a great boon to the economy and the workforce.

Testimony Against: None.

Testified: Janet Adams, The ARC; Lonnie Johns-Brown, Partnership 2000; Brad Boswell, NAMI Washington, Toby Olson, Governor's Committee on Disability Issues

and Employment; and Skip Dreps, NW Paralyzed Veterans of America.