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Medicaid Infrastructure Grant

Medicaid Buy-in

DRAFT 3.0



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Goals of Hire Abilities

- Remove barriers to employment
- Improve infrastructure to support working people with disabilities
- Strengthen and integrate disability benefits, vocational rehabilitation
- Develop a Medicaid Buy-in, as defined under the Ticket to Work and Work Incentives Initiative Act (TWWIIA)
- Strengthen available Personal Assistance Services (PAS)





Recent Successes

- Improved employment of people with disabilities
 - 41.4% in 2006 (31,962 individuals employed) from 2005 baseline of 39% (29,604 individuals employed)
- Developed materials and new web site for outreach
 - www.hireabilitieshawaii.org
- Regularly hold training events on employment for people with disabilities, collaborating with SSA, VR, DLIR, HDRC, DD Div., AMHD





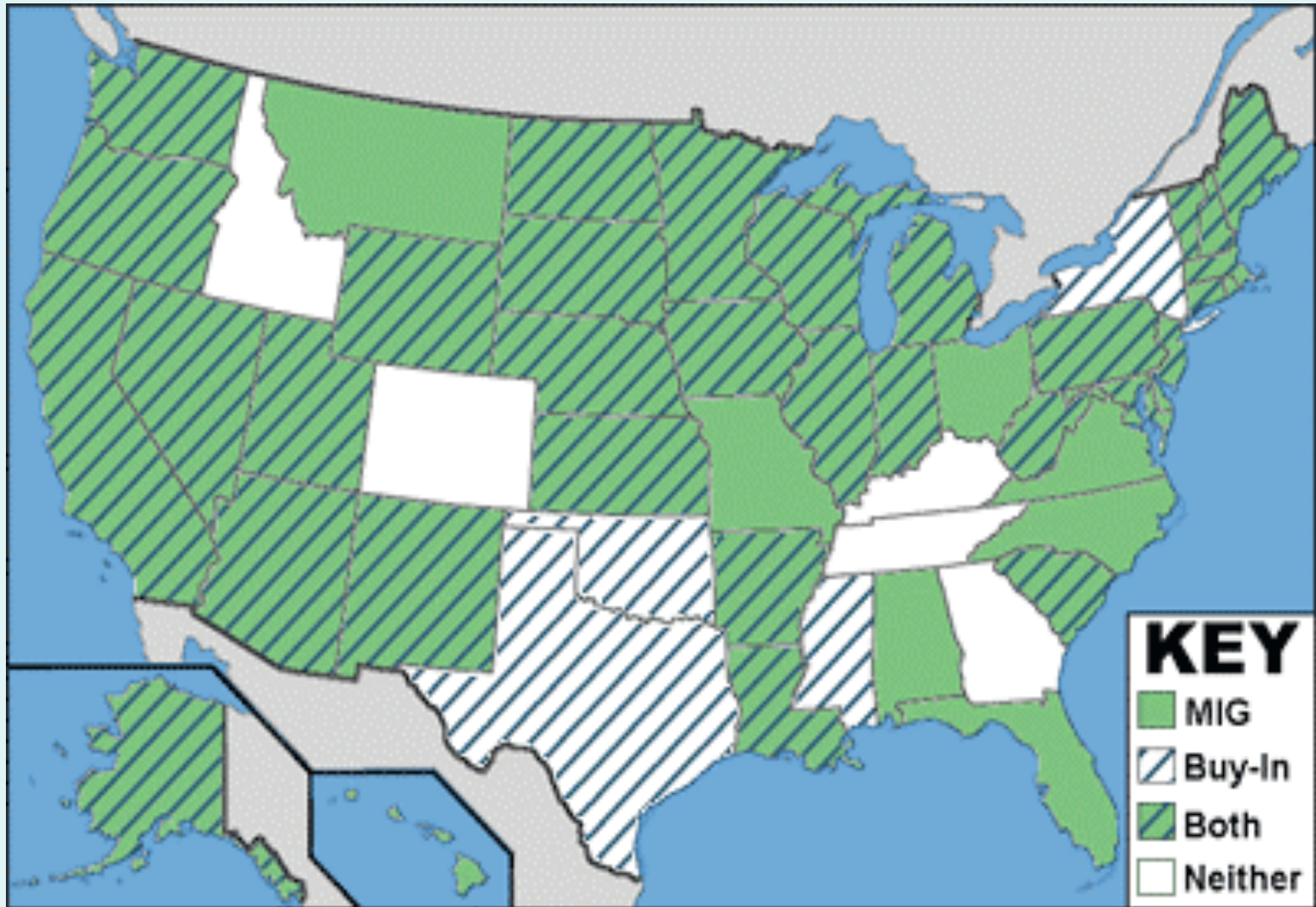
National Picture

- How many states have MIG grants?
 - 40 (including Hawaii)
- How many states have buy-in?
 - 37 (Hawaii still pending)





MIG States & Buy-In States





Purpose of Medicaid Buy-in

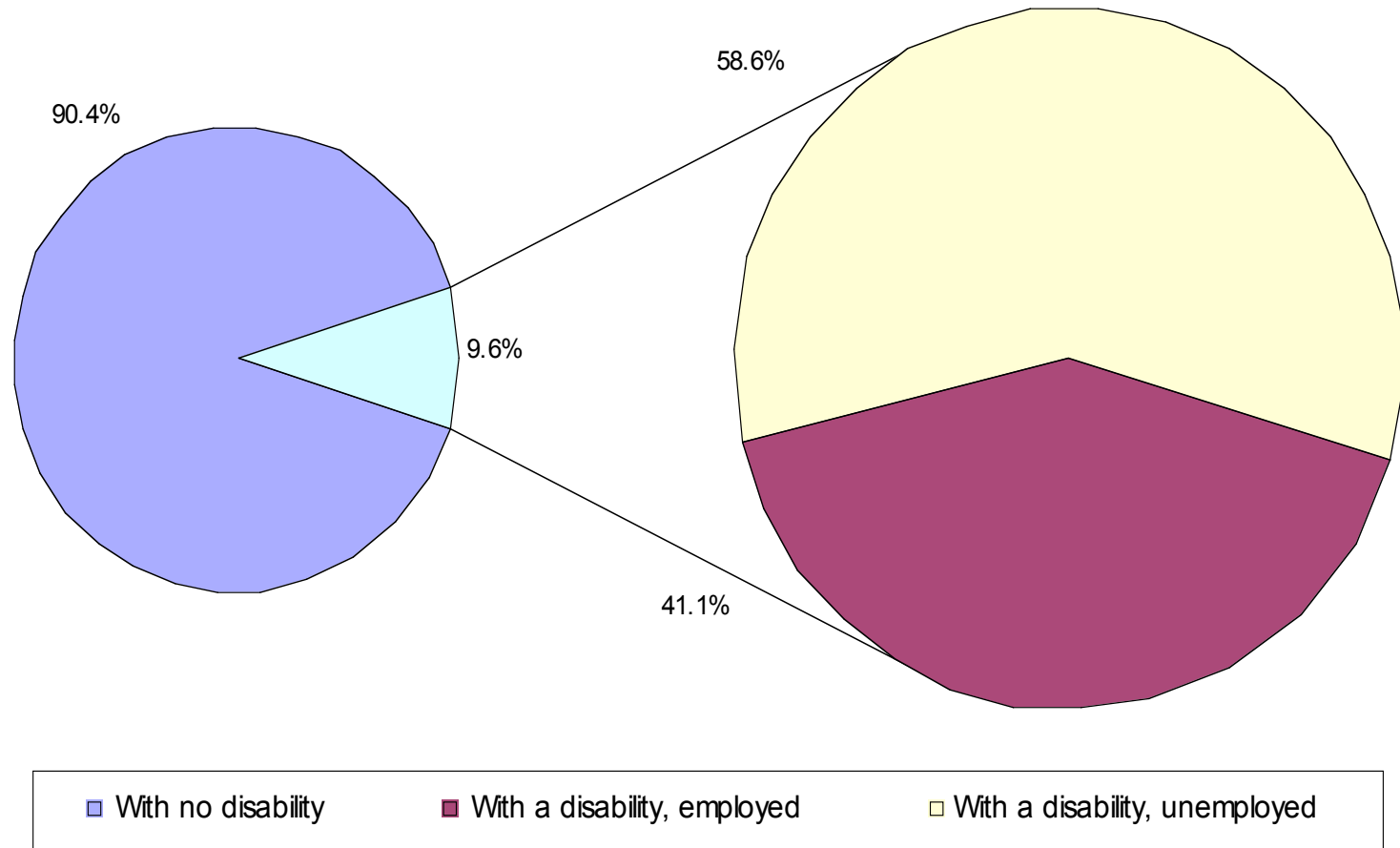
- To increase the employment rate of people with disabilities
- To improve work incentives for people collecting Social Security Disability Insurance
- To remove a major healthcare barrier that keeps people with disabilities from working





Employment and Disabilities

2006 Employment Rate for People with Disabilities in Hawaii



Sources: US Census, American Community Survey



Medicaid Buy-in: Why We Need It

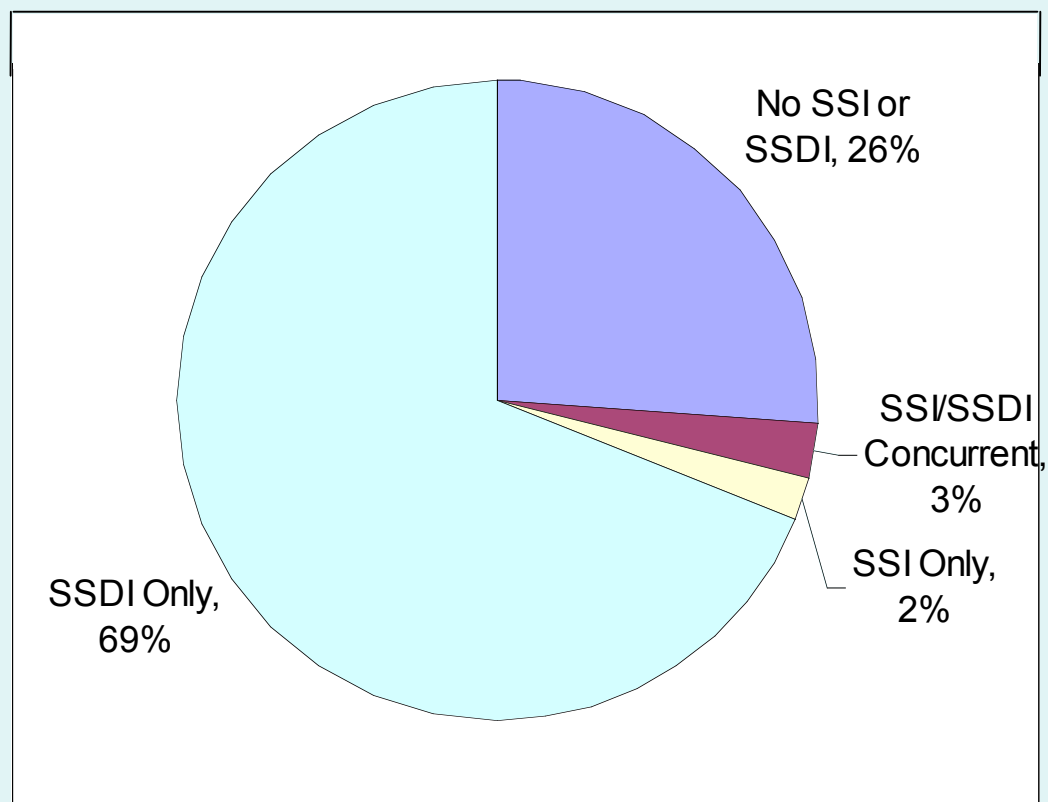
- Fear of losing proper healthcare remains a significant deterrent for people with disabilities who would like to return to work
- To improve the healthcare work incentive for people with work history because:
 - People with work history generally have less generous work incentives than people with no work history
 - They are punished for having disability insurance (SSDI and private policies)
 - They have to spend-down to 50% FPL, compared to SSI recipients who receive Medicaid at 100% FPL





National Enrollment Trends

Percent Enrolled in the Medicaid Buy-in Program (2000-2004) by Prior SSI and SSDI Program Participation Status

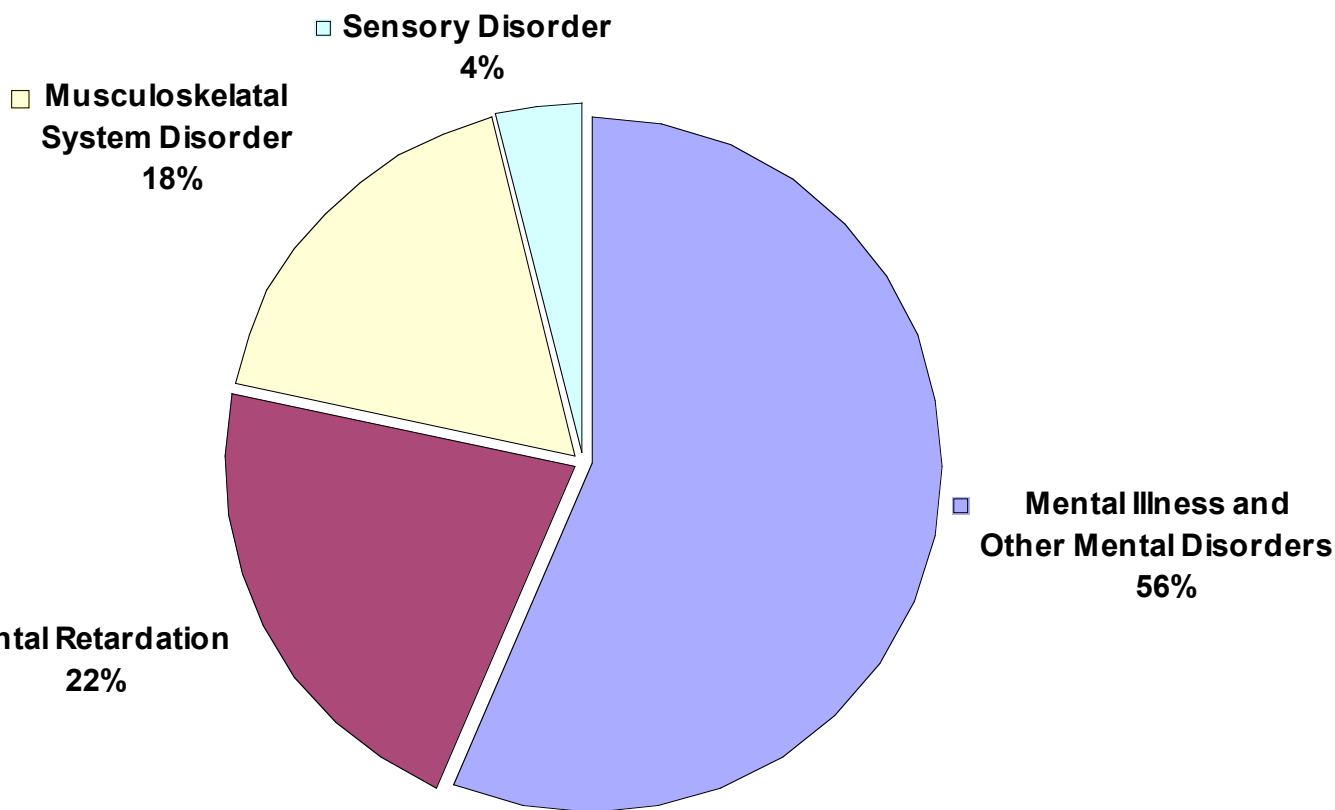


Data Source: Buy-In finder files from 27 states and Ticket Research File (TRF) Analytic Group: 126,606 ever-enrolled Buy-In participants from 2000 through 2004





Identifiable Disabling Conditions of People Utilizing Medicaid Buy-in



Sources: Finder files submitted by states (April 2006) and Social Security Ticket Research File (TRF);
Primary Disabling Condition of Individuals Ever Enrolled in the Medicaid Buy-In Program, 1997 - 2005



State Buy-in Program Data

Population Ages 16 to 64 (2005 ACS data)	3,667,827	3,328,870	410,222	4,124,279
With any disability and % of pop.	424,516 (11.6%)	321,129 (9.6%)	52,875 (12.9%)	544,482 (13.2%)
Income Eligibility Limitation	250% FPL	No limit; must have gross earnings >= \$65/month	250% FPL; after disregards, net income	220% FPL
Asset Limitation	None	\$20,000	\$5,000	None
Federal Authority	TWWIIA - Basic / Medical Improvement	TWWIIA - Basic	Balanced Budget Act	TWWIIA - Basic / Medical Improvement
Implementation Date	12/16/2002	7/1/1999	1/1/2000	1/22/2002
Medicaid Buy-in Enrollment and % of pop. with any disability (2004 data, Mathematica) ^a	835 (0.26%)	8,094 (2.61%)	840 (1.64%)	545 (0.11%)
SSDI disabled workers and % of pop. (Social Security Statistical Supplement, 2006) ^b	121,280 (2.7%)	89,130 (2.7%)	16,020 (3.9%)	122,460 (3.0%)
SSI 18-64 and % of pop. (Social Security, 2006) ^{b, c}	73,128 (2.0%)	54,583 (1.6%)	10,421 (2.5%)	87,556 (2.1%)
SSI Employment rate (Social Security Statistical Supplement, 2006) ^b	4.9%	15.3%	9.8%	6.0%
^a % of pop. with any disability calculated from 2004 ACS data to match the 2004 enrollment data ^b 2005 data taken from 2006 SSA publication ^c SSI figures have been reduced to account for blind and disabled persons aged 65 and older.				





How Buy-in Fits with Existing Quest Programs

<u>Program</u>	<u>General Public</u>	<u>People with Disabilities (PWD)</u>	<u>Meets Medical Needs of PWD?</u>
Quest	< 100% FPL	Not eligible	N/A
Quest-Net	< 300% FPL, if coming from Quest	< 300% FPL, if coming from Medicaid FFS	No, insufficient benefits
Quest ACE	< 200% FPL	< 200% FPL	No, insufficient benefits
Medicaid FFS	Not eligible	< 100% FPL	Yes
Quest Expanded Access (QExA)	Not eligible	< 100% FPL	Yes, see note a

a Quest Expanded Access (QExA) is scheduled to be implemented on November 1, 2008. QExA is a program the Department of Human Services (DHS) is developing for our Medicaid Aged, Blind, or Disabled (ABD) members, who are currently receiving services through a fee-for-service (FFS) system. The design of QExA is for our members to receive service coordination, outreach, improved access, and enhanced quality healthcare services coordinated by health plans through a managed care delivery system. In QExA, our ABD members, with a few exceptions, will receive their primary, acute, and long-term care services through a managed health care plan. The long-term care services offered will include both home and community-based services (HCBS) as well as institutional care (nursing facilities).





Estimated Enrollment Based on Other States


3 Eligibility Options

	Option A - MN Model	Option B - VT Model	Option C - AZ Model
Buy-In Enrollment in Hawaii Based on Other State's Enrollment Rate (State Residents with a Disability, Age 16-64)	1,505	835	180
Earned Income Threshold (% of FPL)	No Limit	250 ^c	250 ^{ab}
Unearned Income Limit	No	No	No
Individual Asset Exclusions	\$20,000	\$10,000 ^d	\$10,000 ^d
Monthly Premium	\$35 to 7.5% of gross income	5% of monthly countable income	5% of monthly countable income
Coverage Groups	Basic + Medically Improved	Basic + Medically Improved	Basic
<p>a Includes spousal income</p> <p>b Includes earned plus unearned income, after disregards and exclusions</p> <p>c Does not include spousal income</p> <p>d Includes spousal assets</p>			





Groups that Benefit from Medicaid Buy-ins (Estimate)

	<u><i>Enrollment Estimate</i></u>
1. SSDI Recipients - Medically Needy / Spend Down Categories	300
2. SSDI Recipients - Not using Spend-down	50
3. No SSA Programs, using Spend-down	50
4. Buy-in as secondary coverage (e.g., Medicare, PHP)	100
 Former 1619(b) Recipients and Others with earnings too high for Medicaid	25

Enrollment Est. Total 525





Cost Structure

Quest Fees under Buy-in

Debit	Credit
<ul style="list-style-type: none">■ Premium■ Enrollment fee■ Cost-sharing	

Fee Received by MCO

Debit	Credit
	<ul style="list-style-type: none">■ Based on capitation rate for PWD





Questions?

