

**REVENUE:** No revenue impact

**FISCAL:** May have fiscal impact, statement not yet issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means
<b>Vote:</b>	7 - 0 - 0
<b>Yeas:</b>	Cowan, Gelser, Gilliam, Kotek, Maurer, Olson, Tomei
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Andy Smith, Administrator
<b>Meeting Dates:</b>	2/7, 2/9, 2/21, 3/19

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**WHAT THE MEASURE DOES:** Directs the Department of Human Services (DHS) to adopt rules to allow a person with a developmental disability receiving services to retain more monthly earned income (up to \$320) while still maintaining eligibility for state medical assistance and placement in a residential setting. Requires DHS to apply for a federal waiver. Declares emergency, takes effect on passage.

**ISSUES DISCUSSED:**

- Impacts of current restrictions on employment opportunities
- Importance and value of employment
- Population who would be currently eligible to benefit from legislation
- Steps involved for DHS to get federal waiver
- Desire of individuals with disabilities to work and to keep earned income

**EFFECT OF COMMITTEE AMENDMENT:** Directs DHS to adopt rules allowing individuals to retain an amount of income that qualifies for a quarter of coverage under the Social Security Act. Requires DHS to submit request for a federal Medicaid and Medicare waiver within 30 days of passage of measure. Directs DHS to adopt new rules allowing individuals to retain more earned income on the day after the date DHS receives approval of its federal waiver request. Requires DHS to submit progress report to appropriate interim committee no later than January 1, 2008 including but not limited to number of individuals who have increased retained income and the specific amounts of they have retained.

**BACKGROUND:** Individuals identified in the bill currently pay earned income above \$65 toward the cost of services provided by DHS. According to DHS data, persons with disabilities and monthly incomes of more than \$65 paid approximately \$134,000 toward the cost of their services during the month of September 2006. Proponents assert that the fear of losing Medicaid is one of the greatest barriers cited by individuals with disabilities who want to maximize their employment and earnings potential and seek greater independence.

HB 2464A contains a federal waiver component that is similar to those adopted in California, New York, Minnesota, Vermont and Wisconsin.