

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB1121

Hearing Date: February 21, 2008

Committee On: Health and Human Services

Introducer(s): (Johnson)

Title: Adopt the Medicaid Insurance for Workers with Disabilities Act

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

7 Yes	Senators Erdman, Gay, Hansen, Howard, Johnson, Pankonin, Stuthman
0 No	
0 Absent	
0 Present, not voting	

Proponents:

Senator Johnson
CJ Zimmer
Gerald Redler
Linda Jensen
Annie Anderson
David Fried
Cathy Miller

Mary Angus
Bill Crawford
Richard Skerbitz
Tim Kolb
Kathy Hoell

Representing:

Introducer
Statewide Independent Living Council
Statewide Independent Living Council
NAMI Nebraska
Arc of Nebraska
Community Alliance
Nebraska Planning Council on
Developmental Disabilities
Self
Self
League of Human Dignity
Statewide Independent Living Council
Statewide Independent Living Council

Opponents:
Vivianne Chaumont

Representing:
Nebraska Department of Health and Human
Services

Neutral:

Representing:

Summary of purpose and/or change:

LB 1121 is a reintroduction of LB 625 (2005). The bill adopts the Medicaid Insurance for Workers with Disabilities Act (act). The bill defines terms. The bill defines “employed individual with a medically improved condition” as “a person who (a) is at least sixteen but less than sixty-five years of age, (b) ceases to be eligible for medical assistance under the medical assistance program established in section 68-903 because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits, (c) continues to have a severe medically determinable impairment, and (d)(i) is earning at least the applicable minimum wage and working at least forty hours per month or (ii) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures.”

The bill defines “person with a disability who is employed” as “a person who is at least sixteen years of age but less than sixty-five years of age and who (a) is disabled under Title II or Title XVI of the federal Social Security Act, as such act existed on January 1, 2008, or (b) has been determined to be disabled by the department.”

The bill requires the payment of medical assistance on behalf of a person with a disability who is employed, including an employed individual with a medically improved condition, whose family income is less than 450% of federal poverty level. Allowable assets for participation in the program are (a) \$20,000 for a family of one, (b) \$30,000 for a family of two, and (c) \$40,000 for a family of three or more.

Recipients whose family income is 100% of the federal poverty level may be required to pay a premium in an amount established by the department in rules and regulations using a sliding-fee or tiered-fee approach, but the premium may not exceed 7% of the recipient family’s unearned income plus 3% of the recipient family’s earned income.

In order to increase the utilization and effectiveness of the program, the department must (1) provide education and training about the program to all appropriate staff; (2) conduct outreach and education about the availability and benefits of the program focused on the populations that can benefit from the program; (3) submit an annual report to the Legislature and Governor to show the effectiveness of the program in achieving the purpose for which it was established; and (4) establish a Medicaid Insurance for Workers with Disabilities Program Advisory Committee to advise the department regarding implementation of the act. Membership of the committee is prescribed.

The department is required to adopt and promulgate rules and regulations to carry out the act.

Explanation of amendments, if any:

The committee amendment (AM 2605) replaces the bill as introduced. The amendment requires the department to analyze available options under federal law and provide recommendations for enhancing and replacing the current “buy-in” provisions in the Medical Assistance Act (section 68-915(8)). Preliminary recommendations are due to the Health and Human Services Committee and the Medicaid Reform Council no later than October 1, 2008. Final recommendations are due to the committee and the council no later than December 1, 2008.

Senator Joel Johnson, Chairperson