

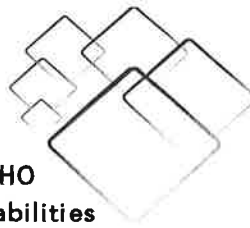
SENATE HEALTH & WELFARE COMMITTEE
Tuesday, February 2, 2016

ATTACHMENT 2

DISABILITY RIGHTS

IDAHO

Protection & Advocacy for Individuals with Disabilities



Idahoans with Disabilities in the Health Insurance Gap: The Healthy Idaho Plan

Contrary to popular opinion, not all Idahoans with disabilities, living in poverty, are eligible for Medicaid, Medicare or any other health insurance program. Many low income Idahoans with serious disabilities fall into the health insurance gap (for information on the gap, <http://closethegapidaho.org>).

Governor Otter's Work Group on Medicaid Redesign¹ recommended that Idaho create our own solution to the health insurance gap by requesting a waiver of federal Medicaid rules. State and private stakeholders designed a plan which could solve the problem. It is called the "Healthy Idaho Plan". The Plan uses federal Medicaid funding to buy health coverage on the state insurance exchange for eligible families between 100% and 138% of the Federal Poverty Level², and extends Medicaid to eligible families below the poverty level. The plan would also extend Medicaid coverage to low income people with disabilities, and chronic health conditions, who are not currently covered. The Healthy Idaho Plan will be a great benefit to many Idahoans with disabilities.

Two large groups of people with disabilities are currently excluded from coverage. Of the roughly 41,000 Idahoans who have a serious and persistent mental illness (SPMI), only about 10,000 are currently eligible for Medicaid. About 12,000 more get some level of treatment each year from the Department of Health and Welfare, but only if their illness becomes so severe that that they pose a serious risk to themselves or others, or if services are ordered by a court. This group (SPMI) includes only people whose mental illness is disabling and recurring. The Healthy Idaho Plan would cover almost all of these people. The plan would provide federal funding for the care they need and relieve the burden on county indigent funds, and state general funds for the Catastrophic Health Care, and the Division of Behavioral Health programs. **Currently, most**

¹ <http://www.gov.idaho.gov/pdf/1204%20Medicaid%20Workgroup%20Report.pdf>

² <https://www.healthcare.gov/glossary/federal-poverty-level-FPL>

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Idahoans with SPMI have no coverage for mental health treatment, or for the expensive prescription drugs needed to control their symptoms.

People, who acquire disabilities after a period of employment, and are unable to work, often qualify for Social Security Disability benefits. **Federal law, however, prevents these people from obtaining Medicare coverage for two years after the onset of their disability.** If their Social Security benefits exceed \$734/month, they are also excluded from Medicaid coverage, unless they are in need of nursing home care. There are always thousands of Idahoans with disabilities in this waiting period. A recent study of a random sample of county indigent program claims conducted by Dr. Douglas Dammrose revealed that 42% of the claimants are in this category³.

There are other people with disabilities, including many veterans, who are in this coverage gap due to individual circumstances. All of them need affordable health care coverage. People with SPMI need a robust benefits package to get adequate care and to maximize savings from state general fund programs. Many people in the Medicare waiting period may need long term in-home supports and services to keep them out of expensive nursing home placements. Idaho must insure that people with particular health care issues caused by disabilities, have access to regular Medicaid coverage to meet their needs and prevent higher cost services.

Conclusion:

The Healthy Idaho Plan would provide health care coverage for tens of thousands of low income Idahoans with disabilities. This would replace state and county tax dollars being spent in county indigent and state catastrophic health care and state mental health programs, with 90% federal Medicaid funds. This saves Idaho taxpayers tens of millions per year. It would provide access to mental health care and prescription drugs for people with serious and persistent mental illness. It would provide ongoing medical care for people with disabilities who are waiting for Medicare coverage. It would also make health care coverage affordable for the rest of the 78,000 Idahoans in the health care coverage gap.

³ <http://www.healthandwelfare.idaho.gov/Portals/0/Medical/MoreInformation/08-14-2014%20Medicaid%20Redesign-Idaho%20Doug%20Dammrose.pdf>