

IN THE SENATE

SENATE BILL NO. 1267

BY HEALTH AND WELFARE COMMITTEE

AN ACT

1 RELATING TO MEDICAID; AMENDING CHAPTER 2, TITLE 56, IDAHO CODE, BY THE AD-
2 DITION OF A NEW SECTION 56-276, IDAHO CODE, TO ESTABLISH PROVISIONS RE-
3 GARDING POLICY OPTIONS FOR MEDICAID FOR WORKERS WITH DISABILITIES AND
4 HOME AND COMMUNITY-BASED SERVICES; AND DECLARING AN EMERGENCY.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Chapter 2, Title 56, Idaho Code, be, and the same is
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
9 ignated as Section 56-276, Idaho Code, and to read as follows:

10 56-276. MEDICAID FOR WORKERS WITH DISABILITIES AND HOME AND COMMU-
11 NITY-BASED SERVICES -- POLICY OPTIONS STUDY.

12 (1) (a) The legislature finds that:

13 (i) Idaho has a strong interest in encouraging work, self-suffi-
14 ciency, and personal responsibility, including through policies
15 that allow individuals with disabilities to work, earn income, and
16 save for their future;

17 (ii) Idaho's medicaid for workers with disabilities program
18 is intended to incentivize work by allowing individuals with
19 disabilities to maintain medicaid coverage while working and ac-
20 cumulating assets;

21 (iii) Many individuals who participate in medicaid programs
22 worked for many years, contributed to their communities and the
23 state economy, and saved modest assets to support stable and inde-
24 pendent living;

25 (iv) Some individuals who are enrolled in the medicaid for
26 workers with disabilities program later experience age-related
27 changes or progression of disability that limit or prevent contin-
28 ued employment;

29 (v) Upon transitioning from the medicaid for workers with dis-
30 abilities program to other medicaid programs or home and commu-
31 nity-based services waivers, such individuals may be required to
32 give up assets earned through work, which can discourage employ-
33 ment, undermine savings incentives, and increase the risk of un-
34 necessary institutionalization;

35 (vi) Medicaid home and community-based services waivers allow
36 Idahoans with disabilities and older adults to receive long-term
37 services and supports in their homes and communities rather than
38 in institutional settings;

39 (vii) Some home and community-based services waiver participants
40 are required to pay a high share of cost, leaving limited income or
41 resources to pay for basic nonmedical needs such as housing, util-
42 ities, and transportation;

1 (viii) When individuals cannot afford these basic living ex-
2 penses, they may be forced into institutional settings even though
3 they could safely remain in their homes with appropriate supports;
4 and

5 (ix) Institutional care is often more costly than home and com-
6 munity-based services and may reduce independence and quality of
7 life.

8 (b) It is the intent of the legislature to direct the department of
9 health and welfare to identify and evaluate options within existing
10 federal medicaid authority that: prioritize continuity for individ-
11 uals enrolled in or transitioning from the medicaid for workers with
12 disabilities program, maintain incentives for work and saving, avoid
13 penalizing individuals who worked and saved but later require services,
14 and support continued community living in order to reduce the risk of
15 unnecessary institutional placement.

16 (2) The department of health and welfare is directed to:

17 (a) Identify and evaluate policy options for individuals enrolled in
18 or transitioning from the medicaid for workers with disabilities pro-
19 gram due to age-related or disability-related limits on continued em-
20 ployment and medicaid home and community-based services waiver partic-
21 ipants who:

22 (i) Have a high share of cost or similar financial participation
23 requirement;

24 (ii) Are unable to meet essential nonmedical living expenses
25 needed for community living; and

26 (iii) Would otherwise be at risk of placement in an institutional
27 setting;

28 (b) Examine options including but not limited to:

29 (i) Options to modify, remove, or provide alternatives to age-re-
30 lated eligibility limits in the medicaid for workers with disabili-
31 ties program;

32 (ii) Asset or resource protections allowed under federal medicaid
33 law;

34 (iii) Alternative methods in which income or resources may be con-
35 sidered for affected individuals;

36 (iv) Limited exclusions or allowances related to housing stabil-
37 ity and community living;

38 (v) Waiver amendments, demonstrations, or other federal authori-
39 ties that support community living; and

40 (vi) Approaches used by other states to preserve work incentives
41 while reducing unnecessary institutionalization; and

42 (c) Consider the fiscal impact, administrative feasibility, and poten-
43 tial effects on individual independence, quality of life, and long-term
44 medicaid costs of options identified and evaluated pursuant to this
45 subsection.

46 (3) In evaluating options related to the medicaid for workers with dis-
47 abilities program pursuant to subsection (2) of this section, the department
48 of health and welfare shall prioritize approaches that:

49 (a) Preserve incentives to work and save;

50 (b) Recognize assets earned through employment;

1 (c) Support continuity of coverage and community living when work is no
2 longer possible due to age or disability; and

3 (d) Avoid unintentionally penalizing individuals for prior employment
4 or savings.

5 (4) In carrying out the provisions of this section, the department of
6 health and welfare shall:

7 (a) Consult and collaborate, to the extent practicable, with commu-
8 nity-based organizations, including organizations representing work-
9 ers with disabilities, centers for independent living, provider orga-
10 nizations, consumer advocacy groups, and other entities that work di-
11 rectly with individuals affected by medicaid for workers with disabili-
12 ties or medicaid home and community-based services policies;

13 (b) Seek input, to the extent practicable, from individuals enrolled
14 in or transitioning from the medicaid for workers with disabilities
15 program, individuals receiving home and community-based services, and
16 families and caregivers of such individuals; and

17 (c) Consider stakeholder and consumer input when evaluating options
18 and developing recommendations.

19 (5) No later than December 1, 2026, the department of health and wel-
20 fare shall submit a written report to the health and welfare committees of
21 the Idaho senate and the Idaho house of representatives that includes:

22 (a) Options identified by the department, with specific findings re-
23 lated to medicaid for workers with disabilities;

24 (b) Any federal approvals that would be required;

25 (c) Estimated fiscal impacts, including potential cost avoidance from
26 reduced institutionalization;

27 (d) Administrative considerations; and

28 (e) Recommendations for legislative or administrative action.

29 SECTION 2. An emergency existing therefor, which emergency is hereby
30 declared to exist, this act shall be in full force and effect on and after its
31 passage and approval.