

1 continue their employment activity.

2 **40-8.7-4. Definitions.** – As used in this chapter, the term:

3 (1) "Individual with a disability" means a person who has been designated, but without
4 regard to his or her ability to engage in substantial gainful activity, as specified in the social
5 security act [42 U.S.C. 423(d)(4)], as a totally and permanently disabled individual by the Social
6 Security Administration or the Rhode Island Medicaid program, pursuant to an application for
7 benefits under Title II, Title XVI or Title XIX of the social security act, regardless of current
8 receipt of cash benefits under the social security act.

9 (2) "Employed" means the individual with disabilities is engaged in a work effort that
10 meets substantial and reasonable threshold criteria for hours of work, wages, or other measures,
11 as defined by the department of human services and as permitted by federal law.

12 **40-8.7-5. Authorization for the Medicaid buy-in program.** – The department of human
13 services is hereby authorized and directed to amend its title XIX state plan to initiate a Medicaid
14 buy-in program for employed individuals with disabilities.

15 **40-8.7-6. Eligibility.** – To be eligible for benefits under the Medicaid buy-in program:

16 (1) The person shall be an individual with disabilities as defined in section 40-8.7-3, but
17 without regard to his or her ability to engage in substantial gainful activity, as specified in the
18 social security act [42 U.S.C. 423(d)(4)];

19 (2) The person shall be employed as defined in section 40-8.7-3;

20 (3) The person's net accountable income shall not exceed two hundred fifty percent
21 (250%) of the federal poverty level, taking into account the SSI program disregards and
22 impairment-related work expenses as defined in 42 U.S.C. Section 1396a(r)(2);

23 (4) A maximum of ten thousand dollars (\$10,000) of available resources for an individual
24 and twenty thousand dollars (\$20,000) for a couple shall be disregarded as shall any additional
25 resources held in a retirement account, in a medical savings account, or any other account, related
26 to enhancing the independence of the individual and approved under rules to be adopted by the
27 department; and

28 (5) The person shall be a current medical assistance recipient under section 40-8.5-1
29 [CNIL] or 40-8-3(v)[MNIL]; or shall meet income, assets, and eligibility requirements for the
30 medical assistance program under sections 40-8.5-1 [CNIL] or 40-8-3(v) [MNIL], as such
31 requirements are modified and extended by this chapter.

32 **40-8.7-7. Premiums and cost sharing.** – (a) The department of humans services is
33 authorized and directed to promulgate such rules to establish the monthly premium payments for
34 employed individuals with disabilities who opt to participate directly in the Medicaid buy-in

1 program. To participate in the Medicaid buy-in program, the employed individual with
2 disabilities shall be required to make payment for coverage in accordance with a monthly
3 payment formula to be established by the department which shall count the individual's monthly-
4 unearned income in excess of the medically needy income limit [MNIL], and shall count a
5 portion of their earned income on a sliding scale basis, in accordance with rules to be established
6 by the department;

7 (b) The department is further authorized and directed to promulgate such rules to allow
8 employed individual with disabilities who have access to employer-based health insurance and
9 who are determined eligible by the department pursuant to this chapter, to either:

10 (1) Enroll themselves and/or their family in the employer-based health insurance plan as
11 a condition of participation in the Medicaid buy-in program under this chapter, provided this also
12 complies with the requirements of sections 40-5.1, 40-8.1, 40-8.4, 40-8.5, 42-12, 42-12.1, 42-12.2
13 and 42-12.3 as they relate to eligibility for the medical assistance program; and provided, further,
14 that enrollment in the employer-based health insurance plan is cost-effective and its benefits are
15 comparable to the benefits provided by the Medicaid program; or

16 (2) Enroll in the RI Medicaid buy-in program with employer/employee premium
17 payments for coverage under the medicaid buy-in program; provided, that these premium
18 payments are not greater than the employer's and employee's premiums in the existing employer-
19 based health insurance.

20 **40-8.7-8. Work-related protections.** – (a) Medicaid buy-in participants shall continue
21 on the medicaid buy-in program for up to four (4) months after loss of employment due to a
22 medical condition. If the loss of employment is not due to a medical condition, the individual
23 may continue to be eligible for up to four (4) months, but must pay a monthly premium equal to
24 their monthly-unearned income in excess of the medically needy income limit.

25 (b) Medicaid buy-in participants who return to other Medicaid eligibility categories shall
26 have their accrued savings in a retirement account and/or a medical savings account excluded
27 from countable assets.

28 (c) The department shall promulgate rules or regulations necessary to institute the work-
29 related protections of this section.

30 **40-8.7-9. Regulations and commencement of program.** – The department of human
31 services shall promulgate the rules or regulations necessary to implement the provisions of this
32 act by January 1, 2005, and enrollment of individuals with disabilities in the Medicaid buy-in
33 program shall commence on January 1, 2006.

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SECTION 2. This act shall take effect July 1, 2004.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO HUMAN SERVICES -- HEALTH CARE FOR WORKING PEOPLE FOR
WORKING PEOPLE WITH DISABILITIES

1 This act would authorize the department of human services to establish a Medicaid buy-
2 in program pursuant to the Balanced Budget Act of 1997 [42 U.S.C. sections
3 1396a(a)(10)(ii)(XV)].

4 This act would take effect July 1, 2004.

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LC01183
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