

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2185

2005 SENATE HUMAN SERVICES

SB 2185

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2185

Senate Human Services Committee

Conference Committee

Hearing Date January 18, 2005

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|---------|
| 1 | x | | 00-6233 |
| 1 | | x | 00-700 |
| Committee Clerk Signature <i>Cathy Minard</i> | | | |

Minutes:

Chairman Lee opened the hearing on SB 2185.

All members were present.

Chairman Lee was a sponsor of this bill and introduced it. It relates to the Medicaid buy-in from the last session and assists with buying health care for individuals with disabilities. This bill tidies up some of the details that makes in more parallel with federal regulations. A fiscal note was noted. Vice-chairman Dever reviewed the fiscal note.

Testimony in favor of Bill 2185

David Zentner, Director of Medical Services for the Department of Human Services.

See written testimony (Attachment 1) (tape 1 side A meter 1900-2875)

Tom Alexander, Project Director Medicaid Infrastructure Grant (MIG)

See written testimony (Attachment 2) (tape 1 Side A meter 2972-3750)

Chairman Lee asked what deductions were given for the workers with disabilities. Brenda Peterson answered this question: health insurance premium deductions, children's health insurance. Sen. Brown wanted to know if the budget will cover the 257 people or is it possible to have some expansion of the program.

Peterson: Based on the rules we have, we could expand.

Maggie Anderson: If we look at the last six months, based on the 250 plus people, we would have enough, but if it goes beyond 700, we might not have enough.

Tom Alexander: There has been about \$420,000 saved by this group, which in turn is spent in the community. See Attachment 11. We also have a DVD used to promote this program.

(Attachment 12)

There was discussion among Chairman Lee, Ms. Anderson and Mr. Alexander concerning the cost of the program. Chairman Lee asked for thumbnail sketch of the personal assistance program. Robin Schumacher with Aging Services, explained this program.

James M. Moench, Executive Director of the North Dakota Disabilities Advocacy Consortium (NDDAC)

See written testimony (Attachment 3 and 4)

Jon Larson, Executive Director of Enable, Inc.

See written testimony (Attachment 5)

Tom Wallner, Director of the State Council on Developmental Disabilities

See written testimony (Attachment 6)

Cheryl Bergian, Director of the North Dakota Human Rights Coalition

See written testimony (Attachment 7)

Bonnie Olheiser. See written testimony (Attachment 8)

Terri Cote. See written testimony (Attachment 9)

Leon Dietrich. See written testimony (Attachment 10)

**Larry Bernhardt, Director of County Social Services in Dickenson representing the County
Director's Association.**

Bernhardt: We support the bill and see the benefit of this program and have seen the wonderful things its done for people, and we urge you to pass SB 2185.

No more testimony in favor; no neutral testimony, no testimony in opposition.

Sen. Warner asked Mr. Zentner a fiscal question.

Chairman Lee closed the public hearing on SB 2185.

Sen. Brown moved DO PASS on SB 2185, seconded by Sen. Lyson, and referred to

Appropriations. Vote: 4 yeas, 0 nays, 1 absent Carrier: Sen. Brown (Sen. Dever voted later)

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2185

Senate Human Services Committee

Conference Committee

Hearing Date March 16, 2005

| Tape Number | Side A | Side B | Meter # |
|--|--------|--------|-----------|
| 2 | x | | 1070-1400 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Cathy Hines</i> | | | |

Minutes:

Chairman Lee reopened discussion on SB 2185 and the changes that will effect both this bill and HB 1148. All members were present.

Chairman Lee: The intern will explain the amendments on 1148 because, as you will recall, that's the bill which talks about personal care items and that a person can have a personal care provider that was not a professional (SB 2185). We also amended on, for the Medicaid buy-in, the workers with disabilities program, the emergency clause because otherwise they would be without funding for 30 days, and obviously we didn't want that. So it ended up being discovered a little late and it was attached to 1148 in order to make sure it was someplace germane.

Carlee McLeod (intern): After talking to legislative council, this is the amendment that the committee originally passed (attached to Mr. Zentner's testimony of 2/28/05). This isn't the way it looked when it came back because there were only a few phrases that were different from the

existing language, so they let us keep the existing language. The bill requests what you passed, but this whole phrase wasn't put in there because parts of the phrase was already in there. Then I got an e-mail from Chairman Lee with this addition to SB 2185 from Mr. Zentner with the buy-in. So I added it to the amendment and what resulted was an amendment that looked very confusing, because there are two section 2's and two section 3's to emergency clauses and two effective dates. What legislative council explained to me: section one is the original amendment, section two includes the next section 2 and 3 because that is adding section 2 and 3 onto Senate Bill 2185. That's the emergency and effective date that needed to be put on.

Chairman Lee: So lines 17 through 20 apply to the same thing?

McLeod: Yes. Twenty-one and 22 are the emergency and effective dates onto the portion of 1148 that we had. Those dates were on this bill that went to our committee, but they're also necessary to keep on this bill and we didn't remove them or anything in committee. But they're also necessary to make sure that emergency and effective date that we put 2185 would take place right away.

Sen. Brown: I'm lost. The amendment we passed today needed to be added to the bill. So when I carry this bill, the bill will be okay?

McLeod: Everything's okay.

Sen. Warner: So the emergency clause has to pass on this bill in order for the emergency to pass on 1148, or even be on the bill?

McLeod: Correct.

Chairman Lee: So, line 17 through 20 apply to bill 2185, lines 21 and 22 apply to 1148.

Chairman Lee ended discussion on HB 1148.

FISCAL NOTE
Requested by Legislative Council
01/12/2005

Bill/Resolution No.: SB 2185

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

| | 2003-2005 Biennium | | 2005-2007 Biennium | | 2007-2009 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | \$0 | \$0 | \$0 | \$853,074 | \$0 | \$856,152 |
| Expenditures | \$0 | \$0 | \$461,262 | \$853,074 | \$497,876 | \$856,152 |
| Appropriations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

| 2003-2005 Biennium | | | 2005-2007 Biennium | | | 2007-2009 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would amend and reenact section 50-24.1-02.7 of the NDCC relating to buy-in of medical assistance for individuals with disabilities.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The department would receive Title XIX funds at the FMAP in effect during each federal fiscal year of the biennia; for 2005-07 revenue would equal \$853,074 and for 2007-09 revenue would equal \$856,152.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The effect of this bill for 2005-07 is to increase expenditures by \$1,314,336 in total; the increased expenditures would be funded by general funds of \$461,262 and federal title XIX funds of \$853,074. For 2007-09, total expenditures would increase to \$1,354,028 funded by general funds of \$497,876 and \$856,152 of federal title XIX funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The effects of this bill are included in the 2005-07 budget request.

| | | | |
|----------------------|--------------|-----------------------|----------------|
| Name: | Brenda Weisz | Agency: | Human Services |
| Phone Number: | 328-2397 | Date Prepared: | 01/13/2005 |

Date: 1-18-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2185

Senate Human Services Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Brown Seconded By Lyson

| Senators | Yes | No | Senators | Yes | No |
|---------------------------------|-----|----|------------------|-----|----|
| Sen. Judy Lee - Chairman | ✓ | | Sen. John Warner | ✓ | |
| Sen. Dick Dever - Vice Chairman | ✓ | | | | |
| Sen. Richard Brown | ✓ | | | | |
| Sen. Stanley Lyson | ✓ | | | | |
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Total (Yes) 5 No 0

Absent 0

Floor Assignment Sen. Brown

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2185: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2185 was rereferred to the Appropriations Committee.

2005 SENATE APPROPRIATIONS

SD 2185

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2185

Senate Appropriations Committee

Conference Committee

Hearing Date 01-31-05

| Tape Number | Side A | Side B | Meter # |
|---------------------------|--------|--------|----------|
| 1 | x | | 542-2005 |
| | | | |
| | | | |
| Committee Clerk Signature | | | |

Minutes: **Chairman Holmberg** opened meeting on SB 2005.

David Zenter, Director of Medical Services, DHS appeared in support of SB 2185. Mr.

Zentner stated that this proposed legislation would make permanent the Workers with Disabilities converge within the ND Medicaid program. Written testimony was provided, see appendix I.

Tim Alexander, Project Director, Medicaid Infrastructure Grant (MIG) appeared in support of SB 2185. Mr. Alexander spoke of the Medicaid Infrastructure Grant or MIG, stating that this grant is a project funded to build statewide infrastructures to create and improve employment opportunities and remove barriers to employment for ND citizens with disabilities. This will strengthen ND's economy by increasing the number of skilled employees in the labor pool and reducing dependence on public benefits. Written testimony was provided, see appendix II.

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB 2185

Hearing Date 01/31/05

Bonnie Olheiser, Dickinson, ND appeared in support of SB 2185. Ms. Olheiser stated that she supported the removal of the Sunset Clause in SB 2185. Stating that it can and will make a huge difference to all individual's with a disability in the state of ND. Written testimony was provided, see appendix III

Barbara Ulicki, Dickinson, ND appeared in support of SB 2185. Ms. Ulicki asked to have the Sunset Clause removed. Written testimony was provided, see appendix IV.

Motion was made for a **DO PASS** by **Sen. Krauter**, seconded by **Sen. Mathern**. Vote was taken with 15 yea's, 0 nay's and 0 members absent.

Chairman Holmberg closed meeting on SB 2185.

Date:

Roll Call Vote #:

12/31-05
SB ~~2185~~
2185

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2145

Senate Senate Appropriations Committee

Check here for Conference Committee

2052

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Krauter Seconded By Mathern

| Senators | Yes | No | Senators | Yes | No |
|-------------------------|-----|----|-----------------|-----|----|
| Chairman Holmberg | / | | Sen. Tallackson | / | |
| Vice Chairman Bowman | / | | | | |
| Vice Chairman Grindberg | / | | | | |
| Sen. Andrist | / | | | | |
| Senator Christmann | / | | | | |
| Senator Fischer | / | | | | |
| Sen. Kilzer | / | | | | |
| Sen. Kringstad | / | | | | |
| Sen. Schobinger | / | | | | |
| Sen. Thane | / | | | | |
| Sen. Krauter | / | | | | |
| Sen. Lindaas | / | | | | |
| Sen. Mathern | / | | | | |
| Sen. Robinson | / | | | | |

Total (Yes) 15 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Carried by
Human
Services

REPORT OF STANDING COMMITTEE (410)
January 31, 2005 3:43 p.m.

Module No: SR-20-1494
Carrier: Brown
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2185: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2185 was placed on the
Eleventh order on the calendar.

2005 HOUSE HUMAN SERVICES

SB 2185

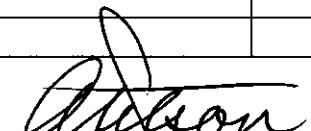
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2185

House Human Services Committee

Conference Committee

Hearing Date Feb. 15, 2005

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|-----------|
| 1 | x | | 4152-6135 |
| | | | |
| Committee Clerk Signature  | | | |

Minutes:

Chairman Price opened the hearing on SB. 2185.

Sen. J. Lee, Distr. 13, appeared in support of SB 2185. It may not be a real conspicuous bill from the last session. I think it was one of the best thing we did, to enable persons with disabilities to be able to work or to work longer without losing their health care benefits. We had a sunset on it from last session to be able to evaluate it and see how it worked, for many, it has worked very well. It is my pleasure to introduce **Mr. Tom Alexander, Project Director Medicaid Infrastructure Grant (MIG)**.

Tom Alexander: See attached testimony and packet.

Mr. Dave Zentner, Director of Medical Services, DHS. See attached testimony.

Rep. Uglem: Can you give me the rational to lowering it to 16 years of age?

D. Zentner: That is a Federal requirement.

Rep. Devlin: Can you give me your definition of "substantial gainful activities"?

D. Zentner: That is a very difficult area. It relates to having to produce something.

Curtis Volesky, Medicaid Eligibility. Gainful employment is "true" employment that an individual has, it try's to avoid ???ial activities, where it is more of an evaluation. Producing a product or service is considered true employment.

Rep. Devlin: Why did you activities instead of employment?

Curtis Volesky: Those terms are used in Medicaid and Social Security Adm.

Rep. Kaldor: Could a person be self-employed.

D. Zentner: Yes, it does encourage self employment.

Chairman Price: Two years ago today, would have thought it would have gone so smoothly?

D. Zentner: I think it has gone very well, once we get the marching orders, we can start doing it.

Rep. Kaldor: Has their been any notice of other benefits or other requirements.

D. Zentner: I don't think we have done any specific research, maybe Tom has done some.

T Alexander: .Our grant has the funds available to do deep analyses but at this time, we have looked at other states, and they have seen decreases in Medicaid services. We are only 6 months into this and we hope to have positive report for you, once the program is in existence longer.

D. Zentner: If these individuals have more income at their disposal, some of the other programs should see some reduction. If we can encourage them to go out and work, we do, as a state, reap some benefits too.

James Moench, Executive Director, ND. Disability Advocacy Consortium. See attached testimony.

Cheryl Bergian, Director of the D Human Rights Coalition. See attached testimony

Tom Walker, Executive Director State Council on Developmental Disabilities:

See Attached Testimony.

Terry Cootie, citizen, see attached testimony.

Bonnie Olheiser, citizen, see attached testimony.

Barbara Ulicki, citizen, see attached testimony.

Leon Dietrich, citizen, see attached testimony.

Jon Larson, Executive Director, Enable, Inc. (NDACF)

Sheri Spear, Director of Public Policy and Advocacy, Mental Health Assn.

I didn't prepare written testimony, as we are part of the ND Disabilities Consortium. I wanted to make a comment that we strongly support, there has been so many cases that have derived benefits and has made it possible for some people to work and get up to poverty level. All of the reasons that you have heard, we encourage you to pass this bill.

Rep. Nelson: This program just become workable in the last 6 months, any idea in the next biennium, how many will be able to take advantage of this program.

Sheri Spear: I would like to have Mr. Alexander respond to that.

Tom Alexander: There are, at this time, about 250 enrolled. The more promotion, I think we will see some increase.

Rep. Nelson: The numbers seem to support that.

T. Alexander: Most are Medicaid.

Chairman Price: Any others to testify?

Hearing is closed.

Page 4
House Human Services Committee
Bill/Resolution Number SB 2185
Hearing Date February 15, 2005

Rep. Devlin: I move a Do Pass.

Rep. Nelson: Second.

Rep. Devlin: I want to have this rereferred to Appropriations.

Chairman Price: Any questions concerning the program?

Vote: 11-0-1

Carrier: Rep. Pietsch

Date: 2/15/05

Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL
BILL/RESOLUTION NO. SB 2185

House _____ Human Services _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ~~SB~~ Do Pass Re Ref Approp

Motion Made By Rep. Devlin Seconded By Rep. Nelson

| Representatives | Yes | No | Representatives | Yes | No |
|---------------------|-----|----|-----------------|-----------|----|
| Chairman C.S. Price | \ | | Rep.L. Kaldor | \ | |
| V Chrm.G. Kreidt | \ | | Rep.L. Potter | \ | |
| Rep. V. Pietsch | \ | | Rep.S. Sandvig | <u>AB</u> | |
| Rep.J.O. Nelson | \ | | | | |
| Rep.W.R. Devlin | \ | | | | |
| Rep.T. Porter | \ | | | | |
| Rep.G. Uglem | \ | | | | |
| Rep.C. Damschen | \ | | | | |
| Rep.R. Weisz | \ | | | | |
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Total Yes 11 No 0

Absent 1

Floor Assignment Rep. Pietsch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 16, 2005 7:50 a.m.

Module No: HR-31-3036
Carrier: Pietsch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2185: Human Services Committee (Rep. Price, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (11 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2185 was placed on the Fourteenth order on the calendar.

2005 HOUSE APPROPRIATIONS

SB 2185

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2185
Buy-In Medical Assistance

House Appropriations Full Committee

Conference Committee

Hearing Date February 25, 2005

| Tape Number | Side A | Side B | Meter # |
|--|--------|--------|---------------|
| 1 | X | | #26.0 - #38.0 |
| Committee Clerk Signature <i>Chris Alexander</i> | | | |

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on SB2185.

Rep Price from Human Services Committee introduced the bill and explained that this bill was before you in the last session and it was called the Medicaid Buy In bill. The name was changed because the workers insisted that it should be any coverage that was preferred by the group. We put a sunset clause on it last time but this bill removes this and makes it a program that will continue. This bill has a fiscal note. This allows disabled people who have Medicaid coverage to work more and buy into the Medicaid program. They can pay up to 5% of their income as a premium on the Medicaid. This allows people to work more and not risk losing their health coverage.

Rep. Ken Svedjan, Chairman commented that the fiscal note is \$461,000

Rep Price commented that the second piece of this bill originally had to do with the personal care options. This was to be the place where we received that waiver because we thought the savings from that program would help fund this.

Rep. Ken Svedjan, Chairman asked if this bill allows for an expansion by changing the eligible age from 18 to 16

Rep Price answered that the federal law requires this and the language that says "substantial gainful activity" is the language used in the Social Security Administration.

Rep. Jeff Delzer asked about subsection 2 where it changes the \$10,000 in earnings to \$10,000 in assets. This means that if they have the capacity they could earn considerably more than that.

Rep Price answered yes, but pointed out that as their income goes up so does their premium because it is placed at 5% of their income. (meter Tape #1, side A, #29.7)

Rep. Jeff Delzer asked if there were 200 people in the program.

Rep Price answered that 250 people were currently enrolled and they don't expect a big rise. This program has only been implemented since July of 2004.

Rep. Jeff Delzer commented that the fiscal amount is in HB1012.

Rep. Ken Svedjan, Chairman commented that this only focuses on a certain population of people and then asked why this couldn't be done for all of Medicaid

Rep Price answered that this is for people who are on Medicaid presently with a disability.

Rep. Francis J. Wald asked what the dollar figure for the premium be. If we were at 5%.

Rep Price answered that it is set for 5% of the monthly gross income. The Medicaid needy level for this person is a \$500 if you look at the recipient but the income level is at 225% of poverty or \$1745 for a household of one so it would be 5% up to that level.

Rep. Ken Svedjan, Chairman clarifies that it would be different for every recipient depending on their income.

Rep. Ken Svedjan, Chairman asked about page 2, line 2, where the term "consecutive months" has been removed. If someone is tracking this usage.

Rep. Price answered that this was done to make sure that no one tries to play the system and yes someone will monitor this.

Rep. Eliot Glassheim asked if this three consecutive months is all within one year.

Rep. Price answered that it was not stated so it could happen at any time.

Rep. Larry Bellew moved a Do Pass motion for SB2185.

Rep. Alon C. Wieland seconded.

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass motion for SB2185.

Motion carried with a vote of 21 yeas, 0 nays, and 2 absences. Rep. Pietsch, of human services, will carry the bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on SB2185.

Date: February 25, 2005
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2185

House Appropriations - Full Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Rep Bellew Seconded By Rep Wieland

| Representatives | Yes | No | Representatives | Yes | No |
|-------------------------------|-----|----|----------------------|-----|----|
| Rep. Ken Svedjan, Chairman | X | | Rep. Bob Skarphol | X | |
| Rep. Mike Timm, Vice Chairman | X | | Rep. David Monson | X | |
| Rep. Bob Martinson | X | | Rep. Eliot Glassheim | X | |
| Rep. Tom Brusegaard | AB | | Rep. Jeff Delzer | X | |
| Rep. Earl Rennerfeldt | X | | Rep. Chet Pollert | X | |
| Rep. Francis J. Wald | X | | Rep. Larry Bellew | X | |
| Rep. Ole Aarsvold | X | | Rep. Alon C. Wieland | X | |
| Rep. Pam Gulleeson | X | | Rep. James Kerzman | AB | |
| Rep. Ron Carlisle | X | | Rep. Ralph Metcalf | X | |
| Rep. Keith Kempenich | X | | | | |
| Rep. Blair Thoreson | X | | | | |
| Rep. Joe Kroeber | X | | | | |
| Rep. Clark Williams | X | | | | |
| Rep. Al Carlson | X | | | | |

Total Yes 21 No 0

Absent 2

Floor Assignment Rep Pietsch (Human Services)

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 28, 2005 8:14 a.m.

Module No: HR-36-3731
Carrier: Pietsch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2185: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS
(21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2185 was placed on the
Fourteenth order on the calendar.

2005 TESTIMONY

SB 2185

TESTIMONY BEFORE THE SENATE HUMAN SERVICES COMMITTEE

REGARDING SENATE BILL 2185

JANUARY 18, 2005

Chairman Lee, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear before you to provide information and support this bill.

This proposed legislation would make permanent the Workers with Disabilities coverage within the North Dakota Medicaid program. It also clarifies certain provisions contained in the original bill.

During the previous session the Legislature authorized the Department to implement the Workers with Disabilities program. The program became operational in July 200⁴. Presently there are 284 individuals eligible under this coverage group. It allows individuals with a disability to buy into the Medicaid program by paying a premium based on the income of each individual. Eligibility is limited to those disabled with net family income at or below 225% of the federal poverty level. The bill was passed in order to encourage individuals with disabilities to seek work, or increase their work time without fear of losing Medicaid benefits.

Rather than incur a recipient liability, each eligible individual who is gainfully employed pays a premium based on 5% of his or her monthly gross income. Previously these individuals may have been eligible for the Medicaid program; but would have had a recipient liability that far exceeded the premium they are currently paying. The medically needy income level for a household of one is \$500. The income level at 225% of poverty is \$1,745 for a household of one.

The bill removes the sunset clause that is contained in Section 1 lines 6 and 7, and changes the name of the program from Medical Assistance Buy-In Program for Disabled to "Workers with disabilities coverage".

Line 14 is changed to indicate that net income is used when determining eligibility for this coverage group. It is a federal requirement that net income be used for this coverage group.

Lines 17 through 19 are changed to clarify that this coverage group can have an additional \$10,000 in assets. The current language requires that the additional assets must be earned while the individual is enrolled in the Medicaid program, and must be included in an approved plan to achieve self-support. This provision is difficult to administer, because of the requirements that the asset must come from earned income, and must include a plan. Many individuals have both earned and unearned income. We believe that simplifying the process will accomplish the goal of providing an incentive for individuals to save money for their future needs, without the oversight required in the present language.

Line 22 clarifies that the premium is based on gross countable income. The premium is currently based on 5% of gross income. This calculation allows considerable relief for those individuals that previously incurred a recipient liability, while not overburdening the clients with a high premium. Many individuals have been able to retain hundreds of dollars per month that had previously been used to pay for medical care.

On page 2, line 2, the bill removes the word "consecutive". The Department is concerned that individuals could manipulate the system by not paying for two months, then paying for a month, and then begin the cycle over again. We believe that the premiums are reasonable, and that non-payment in any three months should result in termination from the coverage group.

January 18, 2005

Senate Human Services Committee Testimony
Re: Workers with Disabilities Coverage

Same to House

Tom Alexander – Project Director Medicaid Infrastructure Grant (MIG)

Chairman Lee, and members of the committee, thank you for the opportunity to present testimony in favor of Senate Bill 2185, which would ensure that new Medicaid coverage for working people with disabilities is preserved. This coverage is important because it provides people with disabilities the chance to increase their earnings and become more self-sufficient, without jeopardizing essential health insurance coverage.

I am Tom Alexander, Project Director for the North Dakota Medicaid Infrastructure Grant (NDMIG). NDMIG is a project of North Dakota Center for Person with Disabilities (NDCPD), a University Center of Excellence at Minot State University.

The Medicaid Infrastructure Grant supported by 100% federal funds (with no state match) allocated by the Ticket To Work and Work Incentives Improvement Act of 1999.

The Medicaid Infrastructure Grant is funded to build state-wide infrastructures to create and improve employment opportunities and remove barriers to employment for North Dakota citizens with disabilities. This, in turn, strengthens North Dakota's economy by increasing the number of skilled employees in the labor pool and reducing dependence on public benefits.

We have heard from North Dakotans with disabilities that the number one barrier to employment for people with disabilities is the fear of losing health care coverage. To address this, the grant helped develop and implement Workers with Disabilities Medicaid Coverage in North Dakota. Workers with Disabilities coverage is one of nearly 30 Medicaid Buy-In programs across the country. People with disabilities who have earnings from

employment can “buy into” Medicaid by paying a monthly premium. Nationally, nearly 70,000 people are enrolled in Medicaid Buy-In programs similar to our Workers with Disabilities coverage.

This coverage allows people with disabilities to increase their earnings without risking the loss of health care services through Medicaid. It helps ensure that workers with disabilities in ND don't have to choose between critical health care and working. It gives people the opportunity to become more financially independent and self-sufficient.

ND Workers with Disabilities coverage began enrolling people in May 2004 for benefit month of June 2004. Six months into the program in ND, over 250 people are using Workers with Disabilities coverage to increase their earnings and their financial independence. These enrollees are working members of ND communities in every part of the state. Access to affordable healthcare and increased earnings allows them to better provide for themselves and their families.

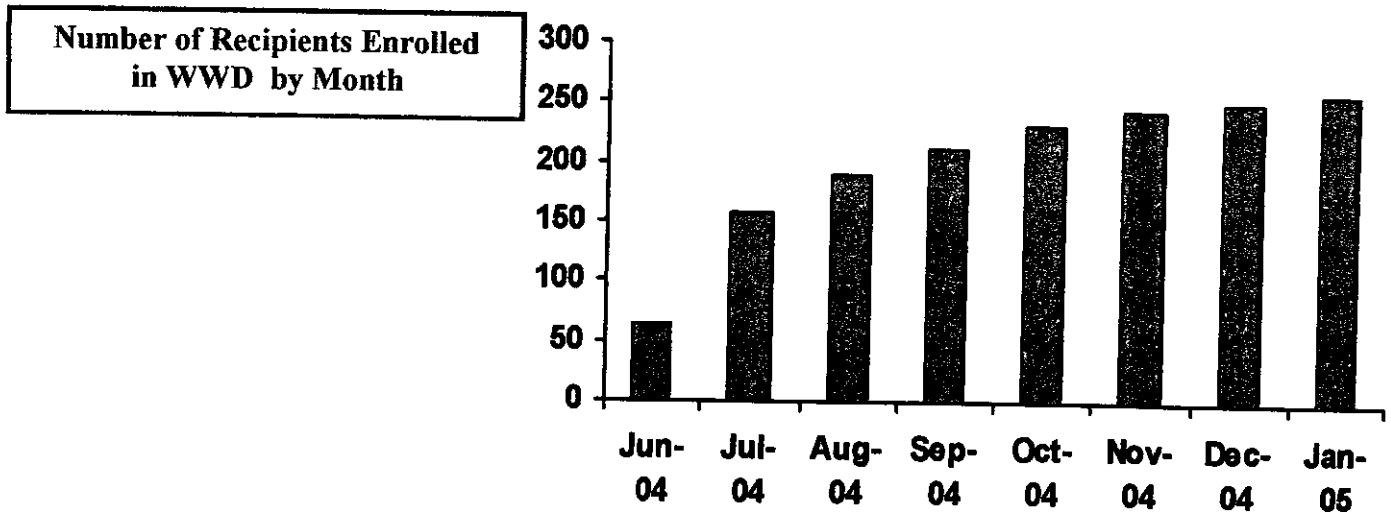
Workers with Disabilities enrollees pay a one time \$100 enrollment fee and they pay 5% of their income as a premium. The average premium is about \$57 per month.

Medicaid Infrastructure Grant funds supported the development and initial implementation of Workers with Disabilities coverage in North Dakota. We continue to support the effective implementation of Workers with Disabilities coverage by providing program evaluation, eligibility worker training, workforce development activities, and outreach to enrollees, providers, and employers, among other things.

Next year, ND will be eligible to apply for another 4-year Medicaid Infrastructure Grant. If ND preserves its Workers with Disabilities coverage through the Senate Bill now before you, the state is potentially eligible for even more grant funding to continue developing infrastructure to support employment systems for people with disabilities.

Enrollment Numbers:

As you can see from the chart provided, the Workers with Disabilities program has grown since initial enrollment started May, 2004 for benefit month of June, 2004. As of January 1, 2005, 258 people have enrolled.



On average, the Workers with Disabilities program has helped enrollees reduce their out-of-pocket spending on healthcare by \$387 per enrollee per month. This is more money in their pocket that can be spent on paying other bills and supporting their family.

The Medicaid Infrastructure Grant project surveyed enrollees on how the Workers with Disabilities affected them. About 78% of enrollees said their financial independence has increased. In addition, 92% of enrollees said the Workers with Disabilities has had a positive effect on them and the number one outcome reported was increased financial independence.

The last question on the feedback questionnaire asked enrollees, to tell us about their experiences with Workers with Disabilities coverage.

Within the feedback questionnaire several wrote comments:

“I previously paid between \$250.00 and \$425.00 per month for recipient liability, depending on my income, now I pay \$80.00 to \$100.00 monthly for Workers with Disabilities. It really helps and makes a huge difference for people like me. We have our own home and will be able to get by with out fuel assistance this winter and we get far less food stamps then before so we have been able to pay our own way much better with Workers with Disabilities than we were without it.”

“Yes, with this program and premiums, I am able to try and catch up on my other bills like rent and utilities.”

“Workers with Disabilities has changed my life. I can afford things I never could before.”

“It is great to have some money left after paying bills. Please continue.”

“I really love Workers with Disabilities.”

Senate Bill 2185 Amendments

Page No. 1

Line 6 & 7: Remove sunset clause and change name to Workers with Disabilities coverage.

Line 9: Add except for substantial gainful activity

Line 11: Remove 18 and 16. This follows the federal statue.

Line 14: Remove total annual and add, net.

Line 17, 18 & 19: Remove disregard & earned while an eligible individual is enrolled in medical assistance and retained as an approved plan to achieve self-support. Add allow & in assets.

Line 22: Add gross countable income.

Page No. 2

Line 2: Remove consecutive.

We ask for a do pass recommendation on the above amendments, on Senate Bill 2185 to preserve the Workers with Disabilities coverage and help North Dakotans with disabilities pursue their dreams of full employment, financial independence, and full participation in their communities. I appreciate the opportunity to provide this testimony.

January 18, 2005
North Dakota Disabilities Advocacy Consortium
Testimony
Senate Bill 2185
Senate Human Services Committee
Chair - Senator July Lee

*Same
from
House*

Good Morning, Chairman Lee and members of the Senate Human Services Committee. I am James M. Moench, the Executive Director of the North Dakota Disabilities Advocacy Consortium (NDDAC). I appear before you today in support of removing the sunset clause currently in place for the Workers with Disabilities Program. (Formally known as the Medicaid Buy-In Program) We also support the other changes to the program as presented in Senate Bill 2185.

The Workers with Disabilities Program is one of the highlights to come out of the last legislative session. The last legislature even though facing a budget crisis took a bold step and authorized the WWD program thereby grasping the opportunity to help persons with disabilities improve their lives. In our society one of the first questions we ask of anyone that we have just met is "what do you do - what is your line of work?" We define ourselves by what we do, by our work. The opportunity to work, to be a contributing member of the community, was being denied to people with disabilities because of the very real fear of losing Medicaid benefits. The Workers with Disabilities Program has taken away that fear. It has given meaning, self-respect, and definition to the efforts of people with disabilities to better themselves through employment. The program is currently helping more than 250 North Dakotans with disabilities improve their lives. Everything about this program has been a success. Workers with Disabilities deserves your continued support.

The members of the North Dakota Disabilities Advocacy Consortium strongly support the Workers with Disabilities Program and urge you to pass SB 2185 removing the sunset clause and continuing this great program.

Thank you and I would be happy to answer any questions that I can.

**North Dakota Disabilities Advocacy Consortium
2004 Membership List**

North Dakota Association for the Disabled
Independence Inc.

IPAT Consumer Advisory Committee

ND Association of the Deaf

North Dakota Fair Housing Council

Dakota Center for Independent Living, Inc.

The Arc of Cass County

Mental Health Association in North Dakota

The Arc of North Dakota

Options, Inc.

ND Statewide Independent Living Council

The Arc of Bismarck

Family Voices of North Dakota

People First of North Dakota

ND Association for Persons in Supported Employment

Freedom Resource Center for Independent Living, Inc.

ND Protection & Advocacy Project

ND Human Rights Coalition

ND Center for Persons with Disabilities

American People Self Advocacy Association

AARP of North Dakota

ND Association of the Blind

Updated July 11, 2004

**Testimony on HB 2185
Senate Human Services Committee
January 18, 2005**

*Same
given to
the House*

Chairman Lee and members of the committee, my name is Jon Larson. I am the executive Director of Enable, Inc, a licensed service provider for people with developmental disabilities in Bismarck and Mandan. I am also here today to testify on behalf of the North Dakota Association of Community Facilities (NDACF). I am here today in support of SB 2185.

The North Dakota Association of Community Facilities has always supported policies that encourage opportunities for independence and self-reliance. The workers with disabilities program has encouraged a number of people with disabilities to work hard to increase their earnings without the threat of the loss of their medical coverage under medical assistance. Prior to the implementation of the Workers with Disabilities program, individuals with disabilities were often forced to make the unfortunate decision of trying to limit their earnings or risk losing their medical coverage.

The coverage provided by this program has allowed many of the people we serve to retain more of their hard earned wages because the premium they pay for their medical coverage is less than what their recipient liability was prior to the implementation of this program.

We urge the passage of SB 2185 to allow this valuable program to continue.

Thank-you for this opportunity to testify today.

Jon Larson, Executive Director Enable, Inc.
North Dakota Association of Community Facilities

TESTIMONY BY TOM WALLNER
SB 2185
SENATE HUMAN SERVICES COMMITTEE
JUDY LEE, CHAIRMAN

same
given to
House

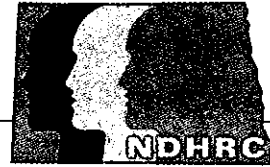
Chairman Lee and members of the Senate Human Services Committee, my name is Tom Wallner and I am the Director of the State Council on Developmental Disabilities. I am here today to advise you of the Council's support for SB 2185. If enacted, this legislation will extend the Medicaid buy-in provisions established by the 2003 Legislature. This Workers with Disabilities Medicaid coverage eliminates the need for people with disabilities to make the difficult choice between working or retaining their healthcare eligibility under Medicaid by not working.

The Medicaid buy-in provisions enacted in 2003 went a long way toward eliminating this disincentive to gainful employment. Enactment of SB 2185 is needed to continue this progress. Therefore, the DD Council encourages a "do pass" action by the Committee on this important legislation.

This concludes my testimony, and I will try to answer any questions from the Committee.

North Dakota Human Rights Coalition

P.O. Box 1961, Fargo, ND 58107-1961 (701) 239-9323 Fax (701) 478-4452 www.ndhrc.org



Testimony
Senate Bill 2185
Senate Human Services Committee
January 18, 2005

Same given to House

Chairman Lee and members of the Committee, I am Cheryl Bergian, Director of the North Dakota Human Rights Coalition. The Coalition includes a broad-based, statewide membership of individuals and organizations interested in the furtherance of human rights in North Dakota; the Coalition's mission is to effect change so that all people in North Dakota enjoy full human rights.

We support the passage of SB 2185, which would continue the Workers with Disabilities program in North Dakota. The program has shown its success in the current biennium, and continuation would provide the opportunity for people with disabilities to work and maintain health coverage, as well as conserve the tax resources in our state.

We ask for a do pass recommendation on Senate Bill 2185. I appreciate this opportunity to testify on behalf of the North Dakota Human Rights Coalition.

Senator Lee and Senate Human Resources Committee Members. My name is Bonnie Olheiser and I reside in Dickinson, North Dakota. I come in front of you today to say thank you for the original SB2194 (Medicaid Buy-In) and now SB2185 and amendment relating to SB2194.

Because of this bill my husband and I have a little more financial freedom. We were the first people with a disability to sign up in Stark County. Our pharmacy bill use to cost between \$800.00 and \$1,000.00 a month now we pay only the co-pay which usually is \$15.00 a month. What a difference this program has made for us.

We are no longer afraid to call for a doctor's appointment because we have health insurance now. Premiums run between \$59.00 for my husband and \$69.00 for me. I now am able to work more hours to receive more wages so that I might pay more taxes in our state. I do not find this a problem I am just happy I am able to work and pay taxes yet. So you see this has not only increased my self-esteem but my self-worth as well.

Please remove the "Sunset Clause" from SB2194/SB2185. It can make a huge difference to people with disabilities. People with a disability can finally feel like a productive member of society again.

Again, thank you for your time and consideration. Do you have any questions?

TESTIMONY ON BILL # SB2185
HUMAN SERVICES COMMITTEE
January 18, 2005

Ms. Chairman and Members of the Committee. My name is Terri Cote. I live in Jamestown.

I support the Approval of the Workers with Disabilities Coverage Plan. I have been enrolled in this plan since September, 2004. Because of my high Recipient Liability, which has been as high as \$805 per month, it is financially better for me not to be employed. Because I work, I am eligible for this coverage at \$87 per month. That is a difference of \$718 a month!!

I am encouraged to stay employed because if I quit, I go back to the Medicaid with a \$800 Recipient Liability.

Working has raised my self-esteem, it allows me to have my own transportation, I can be more socially active in my community and I have something to be proud of, among other things.

Thank you for your time.

Terri Cote
119 5th St NW #9
Jamestown, ND 58401

Senate Human Services Committee
Senate Bill 2185
January 18, 2005

*Same
given to
the House*

Chairman Lee and Members of the Committee:

My name is Leon Dietrich and I live in Bismarck. I work at Solheim School as a custodian. I can only get 30 hours a week so I am not eligible for health care benefits. I have applied for the Workers with Disabilities Coverage so I can afford to go to the doctor and dentist.

Before the Workers with Disabilities program, I had private insurance for emergencies. The deductible was \$1000 so it did not help pay for any routine medical visits. I have had the same glasses for many years and have not seen an eye doctor for at least a couple years. Now that I can get health insurance through the Workers with Disabilities program, I have gone to see a medical doctor. When I went to the doctor I was told I have high blood pressure. I can now go for regular doctor visits for my high blood pressure which I would not have done before. I am planning to get my eyes checked and possibly get new glasses.

I hate to miss work so it is good that I can now go see a doctor when I am not feeling good. I can get treatment so I can get back to work quicker. I am glad I could finally see a doctor and found out about my high blood pressure before it got out of hand. Now that I know I have high pressure I make sure to have it checked at least a couple times a week. I also have been watching what I eat.

I urge you to pass this bill so the Workers with Disabilities coverage keeps going so people with disabilities can continue to work. By passing this bill you will make it easier for people with disabilities to get affordable health insurance.

Thank you for your time and consideration in this matter. Your support is very much appreciated.

Leon Dietrich
409 N. Mandan St., Apt. 4
Bismarck, ND 58501-3745
224-0600

Senator Holmberg and Members of the Appropriations Committee. My name is Bonnie Olheiser and I reside in Dickinson, North Dakota. I come in front of you today to ask you to remove the "Sunset Clause" from SB 2185.

Because of SB 2194(the original Medicaid Buy-In), now SB 2185 Worker's With Disabilities Coverage my husband and I have more financial freedom. We were among the first to enroll in the Worker's With Disabilities Insurance Coverage in Stark County. We are saving \$872.00/month with this coverage.

An individual with a disability no longer has to choose between employment and health care coverage. They can have the best of both worlds. We are now productive employed individual's that is once again considered to be gainfully employed. We have the opportunity to support our community and state by paying taxes again, while working more hours, which generates higher wages, without fear of losing any benefits.

I urge you to please remove the "Sunset Clause" from SB 2185. It can and will make a huge difference to all individual's with a disability in the state of North Dakota. Individual's with a disability can finally feel like productive members of society again.

Thank you for your time and consideration. Do you have any questions?

January 30, 2005

Senator Holmberg, Members of the Appropriations Committee:

My name is Barbara Ulicki and I live in Dickinson, North Dakota. I am asking you to please remove the sunset clause from **Senate Bill 2185**. Medical insurance for people with disabilities has allowed me to keep up with most of my medical bills this past year and pay down an enormous pharmacy bill of over two thousand dollars that I had accumulated over the previous year. Before this insurance for working people with disabilities took effect, I was eligible for Medicaid but had a recipient liability of \$450 to \$670 per month. The more I worked, the more my recipient liability. Since my medications cost about \$500 per month, I was fighting a losing battle. I had to stop taking some of my medications and reduce the dose I took on others, to the detriment of my health. Since this medical insurance has been available to me last summer, I have been able to resume all my necessary medications, receive the medical care I need and pay off most of my pharmacy bill because I only incur new expenses of about \$12 per month for name brand drugs. I do not qualify for the Medicare drug program. Having the coverage provided by this insurance has helped me to continue working and being a contributing member of my community. It has given me back some self esteem and a feeling that I am a responsible adult, able to meet my financial obligations.

Please help me to remain independent and a responsible individual by removing the sunset clause from **Senate Bill 2185**.

Thank you for your time and attention. Do you have any questions?

Sincerely,
Barbara Ulicki
 Barbara Ulicki

January 31, 2005

II

Senate Appropriations Committee - Testimony
Re: Workers with Disabilities Coverage

Tom Alexander – Project Director Medicaid Infrastructure Grant (MIG)

Chairman Holmberg, and members of the committee, thank you for the opportunity to present testimony in favor of Senate Bill 2185, which would ensure that new Medicaid coverage for working people with disabilities is preserved. This coverage is important because it provides people with disabilities the chance to increase their earnings, become more self-sufficient and contribute fully to their communities, without jeopardizing essential health insurance coverage.

I am Tom Alexander, Project Director for the North Dakota Medicaid Infrastructure Grant (NDMIG). NDMIG is a project of North Dakota Center for Person with Disabilities (NDCPD), a University Center of Excellence at Minot State University.

The Medicaid Infrastructure Grant is supported by 100% federal funds (with no state match) allocated by the Ticket To Work and Work Incentives Improvement Act of 1999.

The Medicaid Infrastructure Grant is a project funded to build state-wide infrastructures to create and improve employment opportunities and remove barriers to employment for North Dakota citizens with disabilities. This, in turn, strengthens North Dakota's economy by increasing the number of skilled employees in the labor pool and reducing dependence on public benefits.

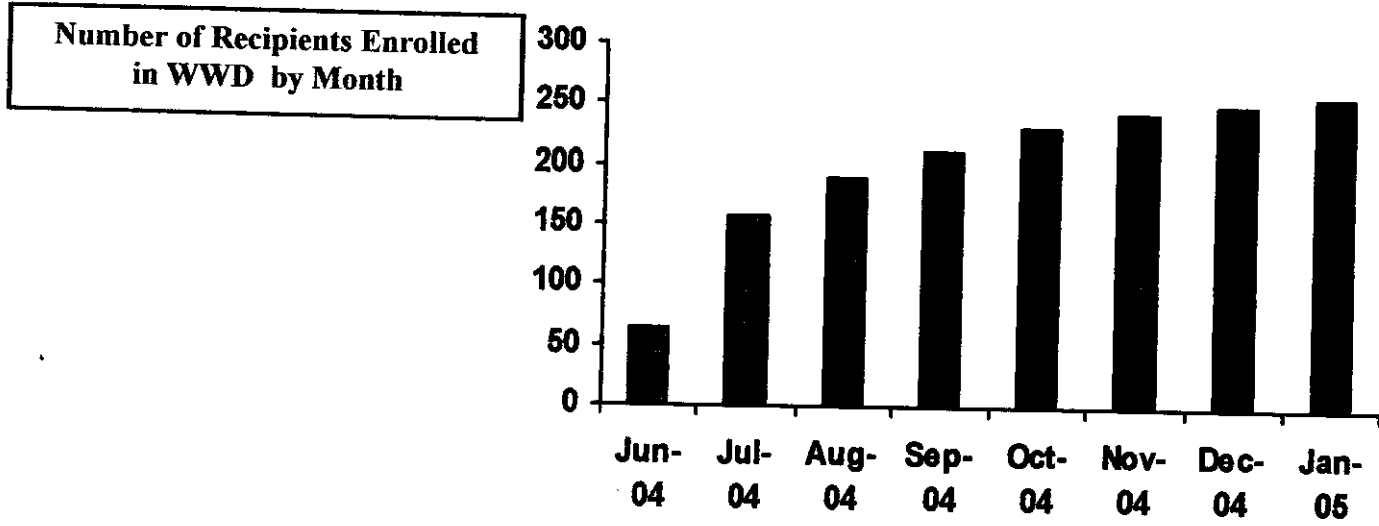
We have heard from North Dakotans with disabilities that the number one barrier to employment for people with disabilities is the fear of losing health care coverage. To address this, the grant helped develop and implement Workers with Disabilities Medicaid Coverage in North Dakota. Workers with Disabilities coverage is one of the nearly 30 Medicaid Buy-In programs

across the country. People with disabilities who have earnings from employment can "buy into" Medicaid by paying a monthly premium. Nationally, nearly 70,000 people are enrolled in Medicaid Buy-In programs similar to our Workers with Disabilities coverage.

This coverage allows people with disabilities to increase their earnings without risking the loss of health care services through Medicaid. It helps ensure that workers with disabilities in ND don't have to choose between critical health care and working. It gives people the opportunity to become more financially independent and self-sufficient.

ND Workers with Disabilities coverage began enrolling people in May 2004 for benefit month of June 2004. Six months into our program, over 250 people are using Workers with Disabilities coverage to increase their earnings and their financial independence. These enrollees are working members of ND communities in every part of the state. Access to affordable healthcare and increased earnings allows them to better provide for themselves and their families.

As you can see from the chart provided, the Workers with Disabilities program has grown since initial enrollment started May, 2004 for benefit month of June, 2004. As of January 1, 2005, 258 people have enrolled.



Workers with Disabilities enrollees pay a one time \$100 enrollment fee and they pay 5% of their income as a premium. The average premium is about \$57 per month.

On average, Workers with Disabilities Coverage has helped enrollees reduce their out-of-pocket spending on healthcare by \$387 per enrollee per month. This is more money in their pocket that can be spent on paying their bills, spending in their communities and supporting their families.

Medicaid Infrastructure Grant funds supported the development and initial implementation of Workers with Disabilities coverage in North Dakota. We continue to support the effective implementation of Workers with Disabilities coverage by providing program evaluation, eligibility worker training, workforce development activities, and outreach to enrollees, providers, and employers, among other things.

Next year, ND will be eligible to apply for another 4-year Medicaid Infrastructure Grant. If ND preserves its Workers with Disabilities coverage through the Senate Bill now before you, the state is potentially eligible for even more grant funding to continue developing infrastructure to support employment systems for people with disabilities.

Although North Dakota's Workers with Disabilities Coverage is too new to permit a thorough analysis of its impact, I believe we can learn from the experience of other states. New Hampshire, which has a Medicaid Buy-In program with several similarities to North Dakota's program

Key lessons:

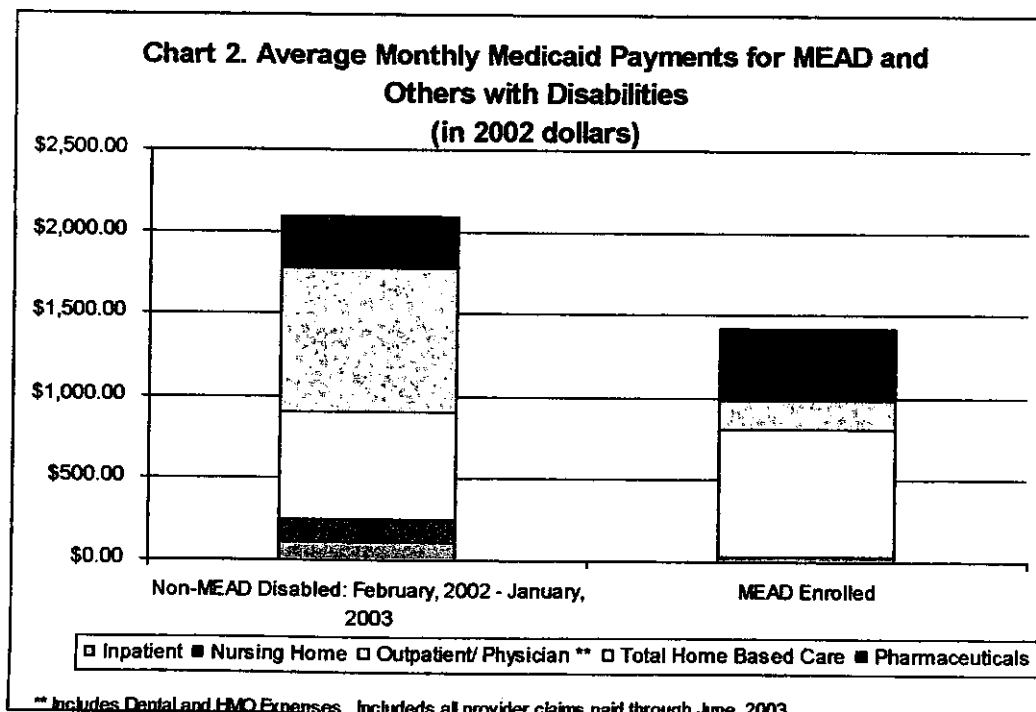
1. In New Hampshire, even though they enrolled more people the first year than they expected, expenditures for the Medicaid Buy-In Program were only 1/3rd of what was originally projected. This is because the state's monthly Medicaid expenditures for Buy-In enrollees were lower than for other Medicaid enrollees with disabilities, and much lower for Buy-In enrollees new to Medicaid.

2. Medicaid Buy-In enrollees' incomes increased substantially after enrollment, especially for enrollees new to Medicaid. Their increased earnings amounted to three times the state's Medicaid expenditures for these enrollees.
3. In New Hampshire, Buy-In enrollees' average total monthly income increased from \$933 before enrollment to \$1151 after enrollment. Although the New Hampshire study didn't address this issue, it's reasonable to assume this level of increased income would affect enrollees' eligibility and need for other public benefits such as fuel assistance, housing subsidies, food stamps, Social Security, and other programs.

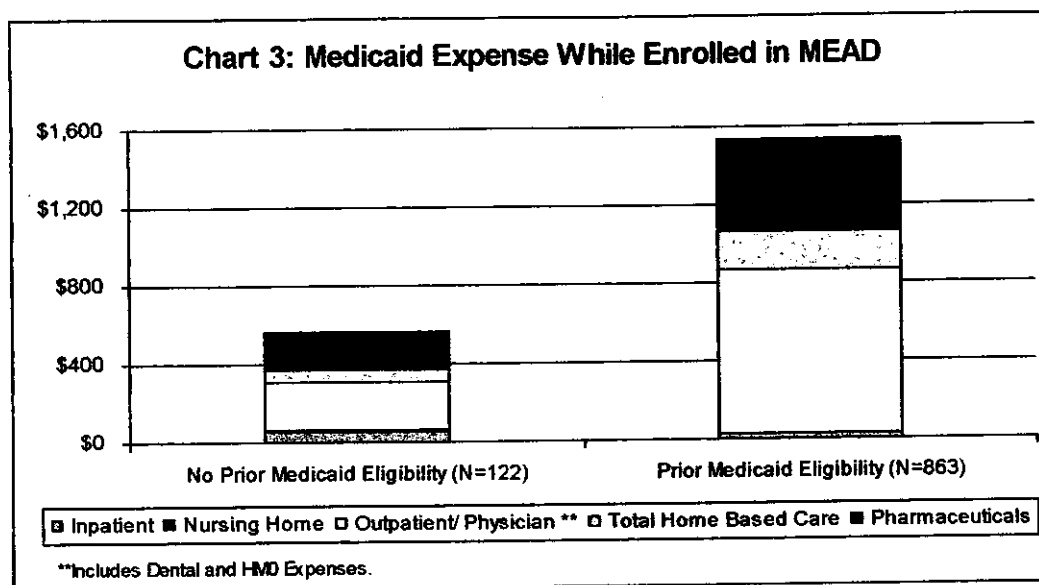
More details about these findings from New Hampshire are in the handout provided.

MEAD – Medicaid for Employed Adults with Disabilities.

- NH found that the average monthly state Medicaid costs for Buy-In participants were lower than for Medicaid recipients with disabilities who were not in the Buy-In. The lesser amount is mostly due to much lower costs for home-based care. The chart below demonstrates these differences:



- Furthermore, people who were “new” to Medicaid (were not previously on any Medicaid program) had much lower costs than those who transitioned from another Medicaid program. Clearly, Medicaid was already covering the most “expensive” people, and new enrollees generally had much lower costs.



We also have some information for you specifically about enrollees in the North Dakota Buy-In program. The North Dakota Medicaid Infrastructure Grant project recently surveyed enrollees on how the Workers with Disabilities coverage affected them. About 78% of enrollees said their financial independence has increased. In addition, 92% of enrollees said the Workers with Disabilities had a positive effect on them and the number one outcome reported was increased financial independence.

The last question on the feedback questionnaire asked enrollees, to tell us about their experiences with Workers with Disabilities coverage.

Within the feedback questionnaire several wrote comments:

“I previously paid between \$250.00 and \$425.00 per month for recipient liability, depending on my income, now I pay \$80.00 to \$100.00 monthly for Workers with Disabilities. It really helps and

makes a huge difference for people like me. We have our own home and will be able to get by with out fuel assistance this winter and we get far less food stamps then before so we have been able to pay our own way much better with Workers with Disabilities than we were without it.”

“Yes, with this program and premiums, I am able to try and catch up on my other bills like rent and utilities.”

“Workers with Disabilities has changed my life. I can afford things I never could before.”

“It is great to have some money left after paying bills. Please continue.”

“I really love Workers with Disabilities.”

Senate Bill 2185 Amendments

Page No. 1

Line 6 & 7: Remove sunset clause and change name to Workers with Disabilities coverage.

Line 9: Add except for substantial gainful activity

Line 11: Remove 18 and 16. This follows the federal statue.

Line 14: Remove total annual and add, net.

Line 17, 18 & 19: Remove disregard & earned while an eligible individual is enrolled in medical assistance and retained as an approved plan to achieve self-support. Add allow & in assets.

Line 22: Add gross countable income.

Page No. 2

Tom Alexander Testimony

Line 2: Remove consecutive.

We ask for a do pass recommendation on the above amendments, on Senate Bill 2185 to preserve the Workers with Disabilities coverage and help North Dakotans with disabilities pursue their dreams of full employment, financial independence, and full participation in their communities. I appreciate the opportunity to provide this testimony.

I

TESTIMONY BEFORE THE SENATE APPROPRIATIONS COMMITTEE

REGARDING SENATE BILL 2185

JANUARY 31, 2005

*Some to House
Human Services*

Chairman Holmberg, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear before you to provide information and support this bill.

This proposed legislation would make permanent the Workers with Disabilities coverage within the North Dakota Medicaid program. It also clarifies certain provisions contained in the original bill.

During the previous session the Legislature authorized the Department to implement the Workers with Disabilities program. The program became operational in July 2005. Since that date a total of 284 individuals have been eligible under this coverage group. It allows individuals with a disability to buy into the Medicaid program by paying a premium based on the income of each individual. Eligibility is limited to those disabled with net family income at or below 225% of the federal poverty level. The bill was passed in order to encourage individuals with disabilities to seek work, or increase their work time without fear of losing Medicaid benefits.

Rather than incur a recipient liability, each eligible individual who is gainfully employed pays a premium based on 5% of his or her monthly gross income. Previously these individuals may have been eligible for the Medicaid program; but would have had a recipient liability that far exceeded the premium they are currently paying. The medically needy income level for a household of one is \$500. The income level at 225% of poverty is \$1,745 for a household of one.

The bill removes the sunset clause that is contained in Section 1 lines 6 and 7, and changes the name of the program from Medical Assistance Buy-In Program for Disabled to "Workers with Disabilities Coverage".

Line 14 is changed to indicate that net income is used when determining eligibility for this coverage group. It is a federal requirement that net income be used for this coverage group.

Lines 17 through 19 are changed to clarify that this coverage group can have an additional \$10,000 in assets. The current language requires that the additional assets must be earned while the individual is enrolled in the Medicaid program, and must be included in an approved plan to achieve self-support. This provision is difficult to administer, because of the requirements that the asset must come from earned income, and must include a plan. Many individuals have both earned and unearned income. We believe that simplifying the process will accomplish the goal of providing an incentive for individuals to save money for their future needs, without the oversight required in the present language.

Line 22 clarifies that the premium is based on gross countable income. The premium is currently based on 5% of gross income. This calculation allows considerable relief for those individuals that previously incurred a recipient liability, while not overburdening the clients with a high premium. Many individuals have been able to retain hundreds of dollars per month that had previously been used to pay for medical care.

On page 2, line 2, the bill removes the word "consecutive". The Department is concerned that individuals could manipulate the system by not paying for two months, then paying for a month, and then begin the cycle over again. We believe that the premiums are reasonable, and that non-payment in any three months should result in termination from the coverage group.

The fiscal note totals about \$1.3 million of which about \$461,000 is general funds. This amount has been included in the Executive budget in House Bill 1012, the Department's appropriation bill.

I would be happy to respond to any questions you may have.

#6

February 15, 2005

HOUSE HUMAN SERVICES COMMITTEE
Re: North Dakota Medicaid Buy-In Plan

Chairman Price and committee members.

My name is Terri Cote and I am from Jamestown.

I am here to support Re-Approval of Senate Bill # 2185.

I have been enrolled in the Medical Buy-In since September of 2004. Because of my high Recipient Liability (which has at times reached \$805). I was better financially by not working. Because I do work I am eligible for the Buy-In for around \$87. That is a difference of \$713 a month. This plan has encouraged me to stay employed because if I quit I am not eligible for this coverage and I will go back to my Recipient Liability of \$800.

Working has raised my self-esteem, it allows me to have my own transportation, be more active socially in the community, I spend my money in my community) and I am proud that I can still work.

Thank you for your time.

Terri Cote
119 5th St. NW #9
Jamestown, ND 58401

2-15-05

#7

Representative Clara Sue Price and Human Services Committee Members. My name is Bonnie Olheiser and I reside in Dickinson, North Dakota. I come in front of you today to say **thank you** for **SB 2194 (the original Medicaid Buy-In) and now SB 2185 (The Worker's With Disabilities Insurance Coverage) an amendment relating to SB 2194.**

Because of this bill (**SB2185**) my husband and I have more financial freedom every month. Our pharmacy bill was **reduced by \$872.00/month.** We were the first couple in Stark County to sign up for the program. Now I believe there are **over 200 people** signed up for this coverage in North Dakota. Please do not take that away from us.

We are no longer afraid to call for a doctor's appointment because we have insurance coverage now. Premiums run between \$59.00 for my husband and \$69.00 for me every month which means we are finally getting our pharmacy bill and a few other medical bills paid down. We use to fear that we would lose our benefits if we were employed, but now we are able to work as many hours as we like. Because of this we are once again contributing back to our community and our state by paying taxes.

Please **"DO PASS" SB 2185.** It can and will make a huge difference to individuals with a disability. Individuals with a disability can finally go back to work without fear of losing their Insurance coverage and once again feel like a productive member of society.

Again, thank you for your time and consideration. Can I answer any questions you may have?

#8

February 14, 2005

Ms. Clara Sue Price and Members of the Human Services Committee

My name is Barbara Ulicki and I live in Dickinson, North Dakota. I am asking you to please vote to pass **Senate Bill 2185**. Medical insurance for people with disabilities has allowed me to keep up with most of my medical bills this past year and pay down an enormous pharmacy bill of over two thousand dollars that I had accumulated over the previous year. Before this insurance for working people with disabilities took effect, I was eligible for Medicaid but had a recipient liability of \$450 to \$670 per month. The more I worked, the more my recipient liability. Since my medications cost about \$500 per month, I was fighting a losing battle. I had to stop taking some of my medications and reduce the dose I took of others, to the detriment of my health. Because this medical insurance has been available to me since last summer, I have been able to resume all my necessary medications, receive the medical care I need and pay off most of my pharmacy bill because I only incur new expenses of about \$12 per month for name brand drugs. I do not qualify for the Medicare drug program. Having the coverage provided by this insurance has helped me to continue working and being a contributing member of my community. It has given me back some self esteem and a feeling that I am a responsible adult, able to meet my financial obligations. I did not need fuel assistance this year and I pay for my own food with minimal help from food stamps.

Please help me to remain independent and a responsible individual by voting to pass **Senate Bill 2185**.

Thank you for your time and attention. Do you have any questions?

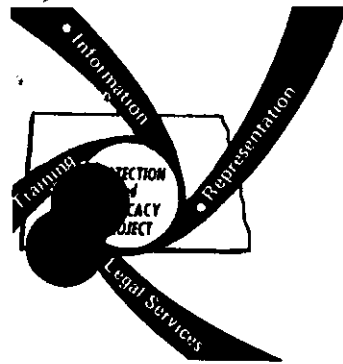
Sincerely,
Barbara Ulicki

Workers with Disabilities Coverage
Endorsement Letters from Partners & Enrollees



North Dakota Center for Persons with Disabilities
Minot State University
Minot, ND

Medicaid Infrastructure Project
January 2005



Protection and Advocacy Project

400 East Broadway Avenue, Suite 409

Bismarck, ND 58501-4071

(701) 328-2950

January 14, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W.
Minot, ND 58707

Dear Tom:

I am submitting this letter in support of the Workers with Disabilities Coverage (Medicaid Buy-In). With enrollment at 258, it is apparent that the program was well received and is an excellent work incentive for people with disabilities.

Prior to the 2003 legislative session, many people with disabilities were on a Medicaid program that required a recipient liability. If they were not working, their recipient liability was based on the unearned income that was over the maintenance level set for the program. People with disabilities who worked paid even higher recipient liability due to wages. These high recipient liabilities often created a disincentive to work. The more they worked, the more they paid in recipient liability. With Workers with Disabilities Coverage, premiums are more manageable because it is based on a person's income rather than a set rate. This coverage is affordable where recipient liability often times was a burden on the recipient.

At a federal level, greater emphasis has been placed on work incentives that will help people with disabilities go to or return to work. Workers with Disabilities Coverage is one of the most powerful work incentives available to North Dakota citizens with disabilities. It allows them to work and still maintain affordable health insurance coverage. North Dakota stepped up to the plate last session in support of this program. It is important that our state continues to support this work incentive by removing the sunset clause.

I would like to thank you and your staff for all the outreach and education you have provided to people with disabilities. The success of your efforts is evident in the number of people enrolled.

Sincerely,

Teresa Larsen
Executive Director

Administrative Office: (701) 328-3934 (Fax)
1-800-472-2670 (Toll Free)

Relay ND 711 TTY
1-800-642-6694 (24 Hr. Emergency Service)



3111 E. Broadway Avenue, Bismarck, North Dakota 58501

1-6-2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave W
Minot, ND 58707

Dear Tom:

We at Dakota Center for Independent Living, Inc. endorse the Medicaid Buy-In Project. We are a non-profit agency that serves persons with disabilities in 18 counties.

We understand the complexity of the Medicaid system when persons on SSI and SSDI become employed. Oftentimes, a person on SSDI will be notified that their Medicaid recipient liability exceeds their medical needs. In those cases, the Medicaid case will close. Thus the need for medial coverage becomes a barrier to employment.

A number of staff members at Dakota CIL have a disability including myself and have been on the Medicaid system. We know how important it is for persons with disabilities to have medical coverage. The Workers with Disabilities Coverage takes the fear out of obtaining employment and risk losing medical benefits.

Workers with Disabilities Coverage would continue to assist persons with disabilities to be employed and continue to receive medical benefits.

Sincerely,

A handwritten signature in black ink, appearing to read "Royce Schultze", is written over a horizontal dashed line.

Royce Schultze

Executive Director

Dakota Center for Independent Living

**North Dakota
Association for the
Disabled, Inc.**



107 WEST MAIN
BISMARCK, ND 58501
(701) 258-7327
TOLL FREE 1-888-578-6323
www.ndad.org

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W
Minot, ND 58707

Dear Tom and Staff:

We at North Dakota Association for the Disabled, Inc. endorse the Medicaid Buy-In Project. We are a nonprofit organization that serves approximately 400 people throughout North Dakota.

We understand the complexity of the Medicaid system when persons on SSI and SSDI become employed. Oftentimes, a person on SSDI will be notified that their Medicaid recipient liability exceeds their medical needs. In those cases, their Medicaid case will be closed. Thus, the need for medical coverage becomes a barrier to employment.

With this program, many people with disabilities will become gainfully employed and bring esteem and self-reliance to themselves. NDAD continues to be in full support of the Medicaid Buy-In Project.

If you have any questions, I can be reached at 1-800-532-NDAD. Thank you for your time.

Sincerely,

Ronald Gibbens, President
North Dakota Association for the Disabled, Inc.

"A CHARITABLE NON-PROFIT ORGANIZATION"
BOARD OF DIRECTORS

Ronald Gibbens
President

Mark Lysne
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Wendell Grondahl
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Anne Putbrese
Director

Teresa Larsen
Director

FAMILY VOICES OF NORTH DAKOTA

January 7, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W
Minot, ND 58707

Dear Tom,

We at Family Voices of North Dakota endorse the Medicaid Buy-In Project. We are a statewide health information and education center with a focus on families, children and youth with special health care needs and disabilities.

We understand the complexity of the Medicaid system when persons on SSI and SSDI become employed. For us this is especially true for youth transitioning into adulthood. Oftentimes, a person on SSDI will be notified that their Medicaid recipient liability exceeds their medical needs. In those cases, the Medicaid case will close. Thus the need for medical coverage becomes a barrier to employment. Additionally, for a youth who still resides at home with his/her family, youth employment may push the family over the income guidelines as well.

For youth, this is a very confusing system. If we send the message to youth that employment is going to hinder them losing benefits we are instilling from the beginning that there is no need to work. This program will assist in providing an example to youth self-worth, and optimism for their future.

Workers with Disabilities Coverage would continue to alleviate Medicaid recipients liability conundrum for persons with a disability who are employed and provide hope for youth that they can become employed with one less worry.

Please feel free to contact me with any questions you may have. (701)-493-2634

Sincerely,

Donene Feist

Donene Feist
FVND State Director

**The Arc of Bismarck**

1211 Park Avenue
Bismarck, ND 58504-6769
(701) 222-1854
E-mail: arcbis@midconetwork.com

Michael D. Schwab
Bismarck, ND 58504
January 3, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W.
Minot, ND 58707

Dear Tom,

I find it commendable that your agency along with others, are providing information to the ND Legislature on the reintroduction of the Workers with Disabilities Coverage. The Workers with Disabilities Coverage has helped numerous individuals seek, secure and maintain employment in ND.

The Arc of Bismarck endorses the Workers with Disabilities Coverage. We are a non-profit agency representing numerous individuals with developmental disabilities.

The numbers of individuals that have enrolled in the program along with the amount of money enrollees have saved since June of 2004 is outstanding.

Hopefully, the Workers with Disabilities Coverage will continue to not only provide economic development for ND, but will continue to alleviate Medicaid recipients liability for persons with disabilities who are employed.

The Arc of Bismarck would like to thank you for your efforts.

Sincerely,

Michael D. Schwab
Executive Director
The Arc of Bismarck



MENTAL HEALTH ASSOCIATION IN NORTH DAKOTA

An Affiliate of the National Mental Health Association

Allan Stenehjerm
Executive Director
1051 East Interstate Avenue
PO Box 4106
Bismarck, ND 58502-4106
Phone: 701-255-3692
Fax: 701-255-2411
E-mail: info@mhand.org

Regional Office
124 North 8th Street
Fargo, ND 58102
Phone: 701-237-5871
Fax: 701-237-0562

PSYCHOSOCIAL CENTERS

MYRT ARMSTRONG CENTER
1419 1st Avenue South
Fargo, ND 58103
Phone: 701-293-7716
Fax: 701-293-7716

MOUNTAINBROOKE
3rd Street
Fargo, ND 58201
Phone: 701-746-4530
Fax: 701-775-8645



United Way Agency

Make the
HELP-LINE
Connections
1-800-472-2911

Visit our website at
www.mhand.org

Private, non-profit
(501)(c)(3) agency. "The
non-governmental
organization concerned
with all aspects of mental
health for all citizens of
North Dakota."

January 4, 2005

Tom Alexander, ND MIG Project Director
NDCPD/Minot State University
500 University Avenue West
Minot, ND 58707

Dear Tom,

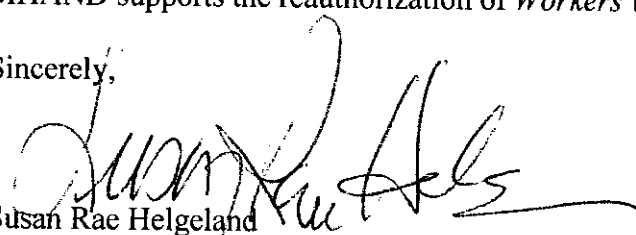
I am writing on behalf of the Mental Health Association in North Dakota (MHAND) to endorse the *Workers with Disabilities* Coverage legislation, SB 2194, passed during the 2003 North Dakota Legislative Session. Over 200 North Dakota citizens with disabilities are now enrolled and working in our communities.

A significant indicator of an adult's contribution to our society is his or her ability to enter and remain in the work force. MHAND worked in collaboration with the North Dakota Disabilities Advocacy Consortium (NDDAC) to support SB 2194 during the last session. We know that people with disabilities, including the disability of mental illness, want to work.

The *Workers with Disabilities* Coverage has made a difference in people's lives in North Dakota. Senator Judy Lee, West Fargo, and Representative Clara Sue Price, Minot, will be introducing a bill that reauthorizes the *Workers with Disabilities* Coverage during the 2005 North Dakota Legislative Session.

MHAND supports the reauthorization of *Workers with Disabilities* Coverage.

Sincerely,


Susan Rae Helgeland
Regional Director



INDEPENDENCE, INC.

Stephen Reppow, Executive Director

A Resource Center For Independent Living

January 5, 2005

Tom Alexander, ND MIG Project Director
NDCPD/Minot State University
500 University Avenue West
Minot, ND 58707

Dear Mr. Alexander:


I am writing this letter on behalf of Independence, Inc. to endorse the removal of the Workers with Disabilities Sunset Clause. I think we agree that citizens with disabilities who are working members of our community provide many benefits to every citizen.

Yet, prior to the Workers with Disabilities Program, many North Dakotans with disabilities could not afford the opportunity to work without fear of losing vital medical benefits. This program has provided consumer control over whether or not to work without the fear of losing benefits.

As a director for a center for independent living, I have seen first hand the struggles that consumers face when deciding whether or not to go to work. This program empowers all participants to be productive members of society.

Independence, Inc. supports the reauthorization of the Workers with Disabilities Coverage.

Sincerely,


Stephen Reppow
Executive Director



Resource Center for Independent Living

January 4, 2005

**Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave W
Minot, ND 58707**

318 3rd Street NW, East Grand Forks, MN 56721-1887
(218) 773-6100 V/TTY • (800) 726-3692 • (218) 773-7119 Fax
e-mail: options@myoptions.info

Dear Tom:

Options Interstate Resource Center for Independent Living is requesting Workers with Disabilities Coverage be extended indefinitely during the Legislative Session. As can be seen through the data, people with disabilities have benefited along with the great State of North Dakota. Assisting people with disabilities to become gainfully employed, by insuring that they have access to medical benefits, people with disabilities have the potential to enjoy all the benefits that work gives and that others take for granted while North Dakota has people contributing back to society by utilizing less services and paying taxes.

Options has been providing services to people with disabilities since our inception in 1986. Since inception, when conducting needs surveys, Options has heard from people with disabilities one of the greatest hindrances to them becoming gainfully employed is their fear of losing all their benefits. Federally, the Government has recognized this and implemented various work incentives that assist a person to gradually get off benefits while attempting to work. With the Workers with Disabilities Coverage the State does their part in insuring that this process is as seamless as possible.

To reiterate, please continue the Workers with disabilities Coverage by passing legislation that stops the sunset clause.

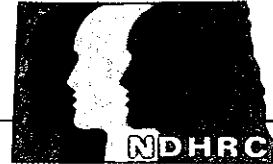
Sincerely,

A handwritten signature in black ink, appearing to read "R. H. Sorensen", with a long, sweeping underline.

**R. H. Sorensen, M.A.
Executive Director**

North Dakota Human Rights Coalition

P.O. Box 1961, Fargo, ND 58107-1961 (701) 239-9323 Fax (701) 478-4452 www.ndhrc.org



December 23, 2004

Tom Alexander
NDMIG Project Director
NDCPD/Minot State University
500 University Ave. W.
Minot, ND 58707

Dear Mr. Alexander:

I am writing in support of the continuation of the Workers with Disabilities Coverage program, created by Senate Bill 2194 in the 2003 legislative session. It is my understanding that there is a sunset provision in the bill which would need to be removed in the 2005 legislative session in order for the program to continue.

Access to health care services is a fundamental human right for all of us. The Workers with Disabilities Coverage program provides the ability for people with disabilities to work and still maintain the health care access they need. The North Dakota Human Rights Coalition fully supports the continuation of the Workers with Disabilities Coverage program.

I appreciate the opportunity to support this program.

Sincerely,

A handwritten signature in black ink that reads 'Cheryl Bergian'. The signature is written in a cursive, flowing style.

Cheryl Bergian
Director

Bonnie Olheiser
1352-South Main
Dickinson, North Dakota 58601

December 19th, 2004

Mr. Tom Alexander
%MSU
500-University Avenue West
Minot, North Dakota 58707

Dear Mr. Alexander & Staff

I would like to thank you and your staff for working so diligently to get the Worker's With Disabilities Coverage (Medicaid Buy-In) up and running in our state. As of June 1st, 2004 my husband and myself are receiving this coverage.

I am no longer hesitant to call for an appointment to see my doctor, dentist, or optometrist. I know that the bill will be submitted to the Worker's With Disabilities Insurance in Bismarck. Our pharmacy bill went from well over a \$1,000.00 a month to \$15.00 a month, talk about savings.

For my husband, Ron, and myself it not only has meant financial freedom but substantial gainful employment without fear of losing our benefits. Persons with disabilities need to be able to hold their heads high and not have to worry about where the next dollar will come from. It has boosted our social and recreational opportunities as well. Our self-esteem and self-worth have never been higher.

Thank you again Tom. Believe me it is well worth all the time and effort you all put into this bill (SB 2194). I am enclosing letters for you to send off to Senator Judy Lee and Representative Clara Sue Price. It is alright for you and your staff to read them and then please forward them on. I would be very willing to come to Bismarck and testify during the 2005 session. Please let me know at least a couple of days prior. Thanks.

Sincerely,

Bonnie Olheiser / Ronald H. Olheiser

Bonnie Olheiser/Ronald H. Olheiser

P.O. Box 425
Larimore, ND 58251
January 5, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University/NDCPD
500 University Ave West
Minot, ND 58707

Dear Tom:

I find it commendable that your agency is providing information to the North Dakota Legislators on the reintroduction of *Workers with Disabilities Coverage*. The re-approval of this legislation is highly important to me because this year it has proved to provide valuable, affordable health care for me. Due to access to affordable health care, I enjoy increased overall well-being, peace of mind, and security. Before my disability I enjoyed the thought of a full time career but now I am able to continue working within the limits of my disability. I enjoy being employed in my community.

Because persons with disabilities would be encouraged to seek, secure and maintain employment in the state, *Workers with Disabilities Coverage* offers economic development to North Dakota.

Sincerely,

Linda Hanson-Bell

Linda Hanson-Bell

2500 14th Ave. S. Apt. 11
Grand Forks, ND 58201
January 5, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University/NDCPD
500 University Ave. West
Minot, ND 58707

Dear Tom:

I find it commendable that your agency is providing information to the North Dakota Legislators on the re-introduction of *Workers with Disabilities Coverage*. The re-approval of this legislation is highly important to me because it enables me to have more money that I can spend for other things, for my business and for around my apartment versus for high costs in medical bills that I had before this program. I am now able to work more freely in the job that I love and other endeavors that would come my way. I don't have to stick to worrying about my bills all of the time. *Workers with Disabilities Coverage* gives me the freedom to do that.

Because persons with disabilities are encouraged to seek, secure and maintain employment in the state, *Workers with Disabilities Coverage* offers economic development to North Dakota.

Sincerely,

Robert (Bobby) L. Vogel Jr

Robert (Bobby) L. Vogel Jr.

701 33rd Ave. North Apt. 408
Fargo, ND 58102
January 5, 2005

Tom Alexander
Medicaid Infrastructure Grant/NDCPD
Minot State University
500 University Ave W
Minot, ND 58707

Dear Tom:

I find it commendable that your agency is providing information to the North Dakota legislators on re-introduction of *Workers with Disabilities Coverage*.

I feel that it is important to continue *Workers with Disabilities Coverage* because it keeps me motivated to keep working. Now that I am on *Workers with Disabilities Coverage* I have a job in the community and feel that I am a part of the community. Having a job gets me out of the house so that I can socialize with people and feel better about myself.

Because persons with disabilities would be encouraged to seek and maintain employment in the state, *Workers with Disabilities Coverage* also offers economic development to North Dakota.

Sincerely,



Kevin Pavek

313 1st Ave. NE
Hillsboro, ND 58045
January 6, 2005

Tom Alexander
Medicaid Infrastructure Grant/NDCPD
Minot State University
500 University Ave. West
Minot, ND 58707

Dear Tom:

I find it commendable that your agency is providing information to the North Dakota legislators on the reintroduction of *Workers with Disabilities Coverage*.

Workers with Disabilities Coverage gives me an opportunity to give back to the community and economy through employment. This improves the lives of myself and my husband and we enjoy increased independence.

Sincerely,



Carolyn Benzinger

01-10-05

P.O. Box 713
Larimore, ND 58251

Tom Alexander
MEDICARE INFRASTRUCTURE CLANT
500 UNIVERSITY Ave. W.
MINOT, ND 58207

Dear TOM,

I AM WRITING IN SUPPORT OF THE "WORKERS WITH DISABILITIES" PROGRAM.

I began this program in November, 2004, with my job at The Grand Forks Air Force Base. This program has been cost effective for me. IT HAS REDUCED MY MONTHLY HEALTH CARE COSTS FROM ABOUT \$116.00 PER MONTH TO \$62.00 PER MONTH. THAT ENABLES ME TO HAVE MORE SPENDABLE INCOME.

I hope this program will continue.

ALLAN LAURILA
Allan W. Laurila

2004 31st avenue South
Fargo, North Dakota, 58103
January 7, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave W
Minot, ND 58707

Dear Tom:

I am writing this letter to fully endorse the reintroduction of the Workers with Disabilities Coverage in the North Dakota legislature. Not only is the fee structure for the insurance very reasonable, but in some cases it is the only insurance some people can afford.

I developed end-stage renal failure in March, 2000. At the time I was married and under my wife's insurance through work. About July 2004, our divorce was final so I could not be under her policy any longer and with recipient liability being so high with Medicare, I didn't know how I was going to pay for the numerous medications I was taking. With only being able to work part-time, I knew I couldn't pay for them out of my pocket, and I didn't know where to turn. My case worker at Cass County Social Services told me about this insurance and it sure has been a life-saver.

With all the people in this area on dialysis and with other disabilities, I'm sure that this insurance helps many people, and because people with disabilities are encouraged to seek, secure and maintain employment in the state, Workers with Disabilities coverage offers economic development to North Dakota.

Sincerely,



Tim Gassmann

8716 Project Road North #D
Burlington, ND 58722
January 8, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University/NDCPD
500 University Ave West
Minot, ND 58707

Dear Tom:

I find it commendable that your agency is providing information to the North Dakota Legislators on the reintroduction of *Workers with Disabilities Coverage*. The re-approval of this legislation is highly important to me because it has allowed me to purchase my needed medical health care and the ability to pay my bills. Due to access to affordable health care, I enjoy increased overall well-being, peace of mind, and security. Before I was enrolled with the *Workers with Disabilities Coverage* I could only purchase my medication by using my credit cards. I am now able to pay off my credit cards and have my needed medication. I work full time and enjoy living in my community.

Because persons with disabilities would be encouraged to seek, secure and maintain employment in the state, *Workers with Disabilities Coverage* offers economic development to North Dakota.

Sincerely,



Diana Schoewald

January 12, 2005

Roger Knoff
1639 24th Ave. So., Apt. 306
Grand Forks, ND 58201

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W.
Minot, ND 58707

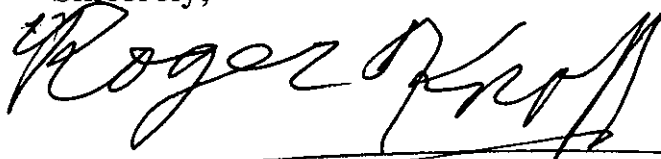
Dear Tom,

I endorse the workers with disabilities program and hope it will continue. I began the program on July 1, 2004. I wish this program to continue to lessen the amount I will have to pay for medical services. This program has reduced problems and subsequent stress levels when dealing with medical providers. It is much less stressful to pay only one monthly premium.

This system allows for individuals to obtain glasses, medications and doctors visits, knowing the monthly premium will allow me to obtain these services, without having to worry about "how I will pay for these right now", if this service would be discontinued.

If the workers with disabilities program is not continued, we would have to go back to the old system with high recipient liability, which would add more stress to people who do not need any added stress.

Sincerely,



Roger Knoff

Terri Cote
119 5th St. NW #9
Jamestown, ND 58401

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W
Minot, ND 58707

Dear Tom,

I am currently covered by the Workers with Disabilities Coverage ("Medicaid Buy-In" I believe its 2003 North Dakota legislative session SB2194) and I am pleased with its outcome. Because of my high Recipient Liability I would be financially better off not working at all!! Participating in the Workers with Disabilities Coverage has made it financially feasible for me to work without worrying about losing my Medicaid coverage.

I whole heartedly endorse the Workers with Disabilities Coverage and I would appreciate it that when this bill comes up for reconsideration in the North Dakota legislature to contact me so I can contact my legislator.

Sincerely,

Terri Cote

Terri Cote

Terri Cote
119 5th St NW #9
Jamestown, ND 58401

Phone: 252-1154

email: terric@daktel.com

26 Roberts Street #204
Fargo, ND 58102
January 10, 2005

Tom Alexander
Medicaid Infrastructure Grant
Minot State University
500 University Ave. W.
Minot, ND 58707

Dear Tom:

I am Eugene Wolters and am a disabled working person. I have been on the Medicaid Buy-In Project since September 2004. This is a very needed program for persons on SSDI, as myself. I have more money now to buy more groceries, clothes, new phone, thrift store purchases and personal items. My savings on my medical prescriptions is approximately \$300⁰⁰ per month since I have bought into the buy-in plan.

I now work part-time days working less hours which is better for my health. If this program does not continue, I would be in a world of hurt. Please continue this coverage.

Sincerely,
Eugene Wolters
Lugene Wolters
Dishwasher

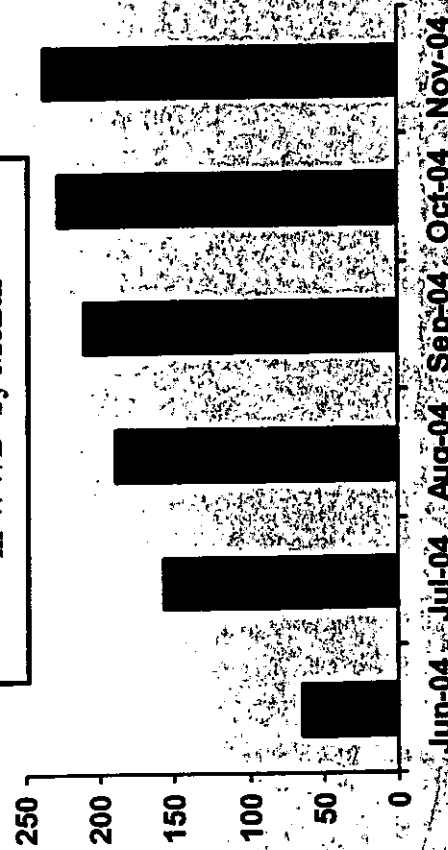
North Dakota Workers with Disabilities Coverage (WWD)

Workers with Disabilities Coverage allows individuals with a disability who want to work, who are already working and who want to increase their earnings, to do so without fear of losing their Medicaid health care coverage.

Facts:

- Average Monthly Premium for Enrollees is \$57 per month
- Average Monthly Savings for Enrollees is \$387 per month
- Since June, 2004 over \$420,000 saved by Enrollees
- Total premium collected as of November 2004 is \$61,895
- 238 individuals enrolled as of November 2004
- All enrollees are working in their North Dakota communities

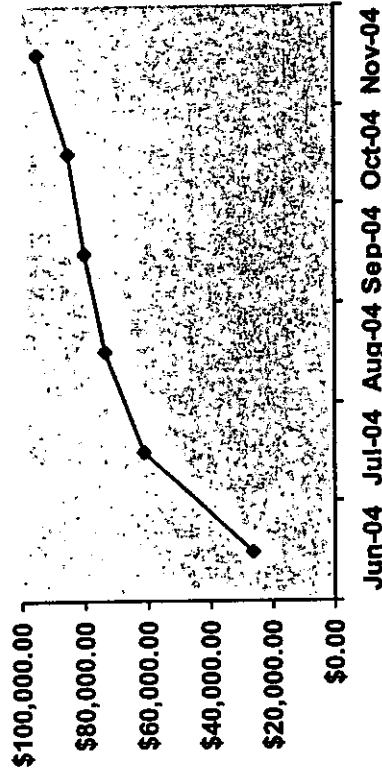
Number of Recipients Enrolled in WWD by Month



History of Workers with Disabilities Coverage:

- Championed by Medicaid Infrastructure Grant at Minot
- State University's Center for Persons with Disabilities
- Sponsored by Senator Judy Lee of Fargo and Representative Clara Sue Price of Minot
- Unanimously approved by the 2003 North Dakota Legislature
- Implemented June 1st 2004
- Will expire June 30, 2005 unless reauthorized during the 2005 ND State Legislative Session

Enrollees Savings



The total amount of \$420,740 is the money enrollees saved on medical expenses that they can spend in their communities to support their families.

Eligibility Requirements for Workers with Disabilities Coverage:

- Have a disability based on Social Security Administration guidelines other than substantial gainful activity (SGA)
- Be at least 18 but less than 65 years of age
- Must become employed or be employed
- Pay a one-time \$100 enrollment fee
- Pay monthly premium of 5% of gross income
- Meet family income guidelines of 225% of federal poverty level

For more information call...

* Your local County Social Service Office or
North Dakota Center for Persons with Disabilities
at 1-800-233-1737

What is Workers with Disabilities Coverage (WWD)?

Formerly known as the "Medicaid Buy-In," Workers with Disabilities Coverage is a work incentive for individuals with disabilities. It allows people with disabilities who want to work, or who are currently working to pay a monthly premium to obtain or maintain their Medicaid healthcare coverage. Workers with Disabilities Coverage was created by the 2003 Legislative Assembly and implemented June 1, 2004.

Before the implementation of Workers with Disabilities Coverage, individuals with disabilities faced the dilemma of losing important Medicaid healthcare coverage if they obtained employment or increased their work hours or rates of pay at existing jobs. Many individuals were also discouraged by the rise in their recipient liability when their earnings increased.

What does Workers with Disabilities Coverage mean to individuals in North Dakota who have a disability?

- Possibility of employment without the fear of losing Medicaid healthcare coverage.
- Opportunity to contribute to Medicaid healthcare coverage by paying a monthly premium.
- No longer having to pay recipient liability.
- Having a higher income and more assets than Medicaid normally allows.
- Opportunity to increase hours of work.
- Opportunity to increase rate of pay.
- Opportunity to work in the community of choice.
- Opportunity to support community and state by paying taxes.
- Opportunity to enjoy increased independence.

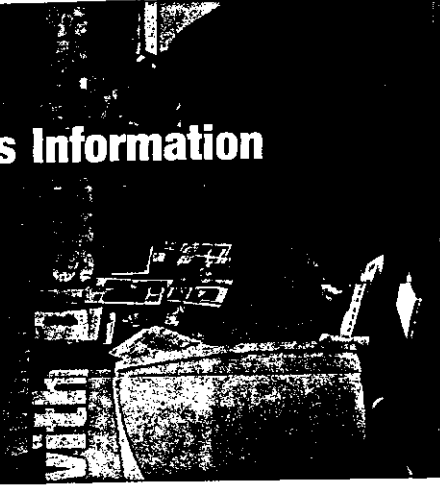
Resources

North Dakota County Social Services Information

Testimonials

Case Studies

Frequently Asked Questions



Questions & Answers

What are the eligibility requirements for Workers with Disabilities Coverage?

- Have a disability based on Social Security Administration (SSA) guidelines other than substantial gainful activity.

SSA's definition of a disability:

For ADULTS – the inability to engage in any Substantial Gainful Activity (SGA) by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

- Be gainfully employed.

An individual may be regarded as gainfully employed if, taking all factors into consideration, the individual shows that the activity asserted as employment:

1. Produces a product or service that someone would ordinarily be employed to produce and for which payment is received.
 2. Reflects a relationship of employer and employee or producer and customer.
 3. Requires the individual's physical effort for completion of job tasks, or if the individual has the skills and knowledge to direct the activity of others, reflects the outcome of that direction.
 4. The employment setting is not primarily an evaluation or experiential activity.
- Be an adult under 65 years of age.
 - Pay a one-time \$100 enrollment fee.
 - Pay a monthly premium of 5% of total income.
 - Meet family income guidelines.

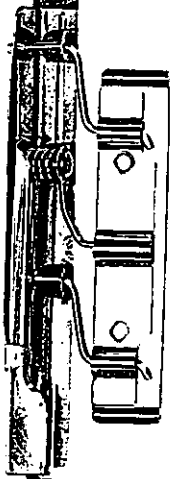
To determine if you or someone you know is eligible for Workers with Disabilities Coverage, contact your local County Social Services Office.

Frequently Asked Questions

With affordable housing, working people will have more choices. They will work... work more... increased opportunities.

**North
Workers with
Disabilities**

Case Studies



John is an individual with a disability who has many costly health care needs.

He was unemployed and receiving Social Security Disability Income (SSDI) in the amount of \$699 each month. John's recipient liability (RL) was \$179 per month while not working.

John became employed in his North Dakota community in January of 2004. He earns \$750 from his employment and \$699 in SSDI each month. John's recipient liability increased to \$521 per month when he became employed.

In June of 2004, John continued his employment and applied at his local County Social Service Office for Workers with Disabilities Coverage. Under the Workers with Disabilities Coverage, John now pays a monthly premium of only \$72 in order to continue his Medicaid health care coverage. John saves \$449 per month and enjoys increased opportunities for choices and independence.



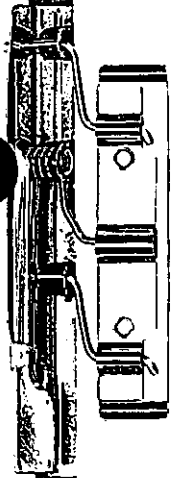
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Since 2000, Sara has been receiving \$920 per month of Social Security Disability Income (SSDI). She also receives Medicare and Medicaid health care coverage paying \$400 per month of recipient liability. In the past, there was little incentive for Sara to work because about half of her earnings would go towards increased recipient liability to continue her Medicaid.

In 2004, Sara obtained employment and began earning \$800 per month from her job. Workers with Disabilities Coverage made it possible for her to keep her Social Security Disability Income and obtain affordable Medicaid health care coverage. Based on her \$800 per month earnings and \$920 per month SSDI benefit, her monthly premium for Workers with Disabilities Medicaid health care coverage is \$86 per month.

If Sara had not enrolled in Workers with Disabilities Coverage upon becoming employed, her recipient liability would have increased to \$767.50 per month. Workers with Disabilities Coverage saves Sara \$681.50 per month. Sara is also able to set aside an additional \$10,000 in assets to assist her in achieving self support.

With Workers with Disabilities Coverage, Sara could earn up to \$3,641 per month and still remain eligible for Medicaid. Her premium would be approximately \$186 per month at this level of earnings.

Case Studies

With affordable working people more choices work...work increased...

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