

Employed Individuals with Disabilities Program

Testimony on SB867

Equal Love for Employees with Disabilities Act

Position: **FAVORABLE**

To Chair Kelley and the Senate Finance Committee:

My name is Michael Dalto, and I'm a resident of Baltimore City. I own a small consulting business and am a disability advocate. When I was formerly employed by the Maryland Department of Disabilities, I directed a project that conducted outreach for the Employed Individuals with Disabilities (EID) Program and helped Marylanders with disabilities enroll.

EID, a Medicaid Buy-In Program, should provide a very powerful incentive for Marylanders with disabilities to work or increase their earnings. Unfortunately, a number of obstacles in the enrollment process has greatly limited the number of residents who have been able to take advantage of the program. To put EID's limited enrollment in perspective, here is how it compares with Medicaid Buy-In enrollments in the states of New Jersey and Washington, both of which have enacted improvements to their programs very similar to those proposed by SB 867.

| | Medicaid Buy-In (MBI) Enrollment | State Population | MBI Enrollment as % of State Population |
|------------|----------------------------------|-------------------------|---|
| New Jersey | 9,530 (in 2013) | 8.857 million (in 2013) | 0.108% |
| Washington | 1,700 (in 2021) | 7.767 million (in 2021) | 0.022% |
| Maryland | 850 (in 2021) | 6.17 million (in 2021) | 0.014% |

SB867 would improve the Employed Individuals with Disabilities (EID) program in several key ways that would directly benefit individuals I have assisted and enable more Marylanders to enroll in (or remain enrolled in) EID:

1. Eliminating the income limit would enable individuals to pursue lucrative careers without fear of losing essential services covered by Medicaid. Currently, some EID enrollees are artificially curtailing their earnings to remain enrolled in EID.
2. Eliminating the resource limit would enable workers with disabilities to save more of their income for retirement and future needs, such as purchasing homes. At present, a number of Marylanders are ineligible due to savings and certain retirement accounts, while others who are already enrolled in EID limit their savings to avoid losing EID eligibility.

3. Not counting spousal income in determining EID premium amounts – combined with the elimination of spousal income and resources from eligibility determinations – will enable more people to marry or increase earnings. A number of current enrollees report they have had to refrain from marriage, limit their earnings, or have their spouses limit their earnings to remain eligible for EID, while others are not eligible for EID under current rules due to their spouses' finances.
4. Eliminating the upper age limit of 64 will provide equity to older Marylanders with disabilities. Many citizens continue working beyond age 64. Social Security's full retirement age will be increasing to 67 for people born after 1959, and the average life expectancy in Maryland is 78.5 years. Current EID rules discriminate against older workers with disabilities, who often need Medicaid even more than younger workers with disabilities, due to health problems that increase with age.
5. Facilitating a smooth transition from other Medicaid eligibility groups to EID is vital for many Marylanders who, due to work earnings and/or savings from those earnings, lose eligibility for other eligibility groups, and can only retain Medicaid through EID. Currently, individuals must be terminated from their current Medicaid eligibility groups before they can enroll in EID, which is a huge disincentive to work. The federal Centers for Medicare and Medicaid Services has advised the Maryland Department of Health that they can provide for a smoother transition, within federal Medicaid rules.
6. If a person acquires assets while enrolled in EID, then later loses eligibility for EID (e.g., due to retirement) and needs to enroll in another Medicaid eligibility group, they need to be able to keep the assets they saved during EID enrollment without losing Medicaid eligibility. Under current rules, such a person must spend these assets in order to maintain Medicaid eligibility, which penalizes responsible saving practices.
7. The current EID application and enrollment process has been repeatedly cited as an obstacle to enrollment by many Marylanders with disabilities. Onerous documentation requirements, inadequate instructions and poorly-designed eligibility notices have contributed greatly to low EID enrollment. SB 867 would improve these processes, making EID easier to navigate.

SB 867 would eliminate key barriers to EID enrollment; remedy current disincentives to work, increased earnings and marriage now embedded in the program; and provide for increased productivity and independence for Marylanders with disabilities. I respectfully urge this committee to issue a favorable report on SB867.

Sincerely,

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