



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 156

PRINTERS NO. 734

PRIME SPONSOR: Mensch

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	\$0	See Fiscal Impact

SUMMARY: Senate Bill 156, Printer's Number 734, amends the Tobacco Settlement Act to establish a new eligibility category, "worker with job success," in the Medical Assistance Benefits for Workers with Disabilities (MAWD) program. This legislation is effective in 180 days.

ANALYSIS: SB 156 establishes a new eligibility category in MAWD termed "worker with job success." An individual who meets all of the following criteria would be eligible for the category:

- Is at least 16 years of age and meets age requirements as established under applicable federal law;
- Is earning at least the minimum wage under section 6 of the Fair Labor Standards Act of 1938;
- Has participated in MAWD for the prior year;
- Has monthly income that is between 250% and 600% of the federal poverty income guidelines; and
- May have more than \$10,000 in countable assets that have been developed since the individual's initial eligibility.

The bill provides that a worker with job success shall pay 7.5% of their monthly income to the Department of Human Services (DHS) as a premium for their medical assistance (MA) benefits. A worker with job success with income at or above \$75,000 compounded by the cost-of-living increases granted by the federal government under the Social Security program annually since 2000 (approximately \$116,000 in 2020) shall pay 100% of the average cost of MA benefits under MAWD.

SB 156 provides that assets developed by an individual while enrolled in the worker with job success category of MAWD shall not be counted for eligibility determination under another MAWD category if the individual loses eligibility in the worker with job success category.

FISCAL IMPACT: DHS estimates that at least an additional 1,091 individuals would be eligible for MAWD under the new worker with job success category. This estimate is based upon the number individuals who were previously disenrolled from MAWD due to having income in excess of the current limits. Considering the premium payments that would be made by

individuals in the worker with job success category, the annual net cost of the additional enrollment would be \$4.8 million in state funds, \$10.1 million in total funds.

PREPARED BY: Nick McClure
House Appropriations Committee (R)

DATE: June 25, 2021

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.