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February 19, 2020

TO: Representative Will Carpenter, Chair and Members of the House Social Services

Budget Committee

FR: Matt Fletcher, Executive Director, InterHab

RE: HB 2549 – Raising the Protected Income Limit to 150% of SSI

Chairman Carpenter and members of the committee, thank you for the opportunity to express support of HB 2549, which seeks to raise the protected income limit to 150% of Social Security Supplemental Security Income for persons who receive Medicaid Home and Community-Based Services. InterHab's members greatly appreciate the work done by this committee in the previous legislative session that resulted in an increase to the protected income limit.

The members of InterHab provide services to Kansans with intellectual and developmental disabilities (IDD) via the Medicaid HCBS IDD waiver. The vast majority of individuals who receive such services have very limited incomes and are further impacted by what is known as the "protected income level" or PIL. Thanks to your work last session, the PIL in Kansas was raised to approximately \$1,100 per month. However, any income above that amount is subject to a "client obligation" in which the person served is required to reimburse for the cost of services they have received above that cap. Providers of services are tasked with collecting the obligation amount from persons with IDD.

The client obligation has long been a detriment to the independence of persons with IDD, as well as a burden on the providers who serve them. For persons with IDD, the client obligation creates an additional obstacle in pursuit of community employment. Persons with IDD who gain additional income through employment often have to surrender most, if not all, of what they have earned in fulfilling what they owe under their client obligation. Providers of services are then left to collect client obligation amounts – a task that causes an additional and costly administrative burden. Further, each year many providers are forced to write off a significant portion of obligation amounts as bad debt.

HB 2549 would help to resolve these issues by raising the PIL to 150% of SSI for these individuals. For Kansans with intellectual and developmental disabilities, the ability to enjoy the wages they've earned through hard work in the community could serve as a powerful incentive in expanding the opportunities of this historically underemployed population.

We urge your support of HB 2549 and ask that the bill receive favorable consideration.