Fear of losing Medicaid coverage can deter people with disabilities from entering the labor market. Medicaid buy-in programs allow workers with disabilities to purchase Medicaid coverage that enables them to participate in the workforce without losing health care benefits. A large majority of states such as Colorado, Illinois and Ohio, amongst others, are participating in or pursuing these kinds of programs.

In 2003, New York implemented the Medicaid Buy-In for Working People with Disabilities program, or MBI-WPD. In doing so, the state created an online toolkit outlining eligibility, income, financial planning resources, as well as other program requirements. The toolkit also provides a number of examples, worksheets and outlines for helping individuals create a Plan to Achieve Self-Support, or PASS.

Kansas implemented a Medicaid buy-in program in 2002, called Working Healthy, as a result of a federal Medicaid Infrastructure Grant, or MIG, award. In partnership with the Kansas Department of Health and Environment, the University of Kansas Center for Research on Learning and Department of Health Policy and Management has been engaged in the planning, implementation and evaluation of the Working Healthy processes. According to the 2011 Working Healthy Data Chartbook, more than half of Working Healthy participants indicated that their financial status, level of independence, and mental health improved after enrolling in the program. Further, overall Medicare expenditures decreased 22% over time.

Numerous states, including New Mexico, have programs that are not buy-in programs, in which workers with disabilities can still receive Medicaid benefits while employed. These programs tend to have earned income limitations. Buy-in programs generally have more generous income eligibility requirements. Senate Bill 536 in New Mexico appropriated $132,000 for the study and administrative development of a Medicaid buy-in plan in 2019.

By providing opportunities for employees with disabilities to join the workforce without losing crucial health care benefits, states can engage a larger and more inclusive labor force and capitalize on talents that may be lost otherwise.

See the interactive map below to learn more about states’ Medicaid buy-in and assistance programs: