



GOV. MSG. NO. 917

EXECUTIVE CHAMBERS

HONOLULU

July 9, 2008

LINDA LINGLE
GOVERNOR

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: Senate Bill No. 2041 HD1 CD1

On July 8, 2008, Senate Bill No. 2041, entitled "A Bill for an Act Relating to Health" became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to appropriate out of the general fund \$5,774,340 for the State's portion of the federal disproportionate share hospital allowance. Disproportionate share payments are made to hospitals serving large populations of low income patients. State funds are needed to match the federal appropriation of \$7,500,000.

Hawaii's hospitals sustain millions of dollars in operating losses each year for treating low-income patients. The bill will provide our hospitals with some relief. I am disappointed, however, that the Legislature highlighted this funding as a priority but chose not to include it in the State budget. As a result, the general funds in this bill fall outside of the State's six-year balanced budget plan.

For the foregoing reasons, I allowed Senate Bill No. 2041 to become law as Act 229, effective July 8, 2008, without my signature.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE



8 JL-9 A8 57

RECEIVED
SENATE
OFFICE OF THE PRESIDENT

A BILL FOR AN ACT

RELATING TO HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. In the past, the legislature has recognized the
2 importance of medicaid coverage for the State's most vulnerable
3 populations, and has acted to ensure that health care payments
4 made with state funds or controlled by the State are sufficient
5 to cover the actual costs of the care provided. Through the
6 continued efforts of Hawaii's congressional delegation, a second
7 federal medicaid disproportionate share hospital (DSH)
8 appropriation of \$7,500,000 has been secured for Hawaii for
9 2008. State funds are needed to match this grant. Together,
10 the combined funding shall help to provide continuing health
11 care in our communities.

12 The purpose of this Act is to meet rising health care costs
13 and ensure that Hawaii's residents have continued access to
14 quality health care by appropriating funds for the State's
15 portion of the federal disproportionate share hospital
16 allowance.



1 SECTION 2. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$5,774,340 or so much
3 thereof as may be necessary for fiscal year 2008-2009 for the
4 State's portion of the federal disproportionate share hospital
5 allowance.

6 The sum appropriated shall be expended by the department of
7 human services for the purposes of this Act.

8 SECTION 3. This Act shall take effect on July 1, 2008.

APPROVED this day of , 2008

GOVERNOR OF THE STATE OF HAWAII

