



GOV. MSG. NO 806

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 10, 2009

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

Dear Madam President and Members of the Senate:

I am transmitting herewith SB423 SD1 HD2 CD1, without my approval, and with the statement of objections relating to the measure.

SB423 SD1 HD2 CD1

A BILL FOR AN ACT
RELATING TO HEALTH.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle", written in a cursive style.

LINDA LINGLE

EXECUTIVE CHAMBERS

HONOLULU

July 10, 2009

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 423

Honorable Members
Twenty-Fifth Legislature
State of Hawaii

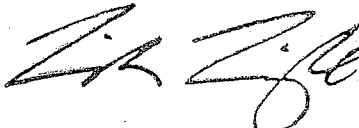
Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 423, entitled "A Bill for an Act Relating to Health."

The purpose of this bill is to appropriate \$12,291,054 out of the general fund to provide a State match required to access \$15,000,000 in federal funding available through the federal Disproportionate Share Hospital payment program. The funds provided are to offset the cost of uncompensated medical care provided by hospitals to Medicaid and charity care patients. State funds are required to draw down the federal appropriation.

Although the purpose of this bill holds merit, there are no State funds available to afford this expenditure. The bill's \$12,291,054 appropriation will negatively impact the general fund and exacerbate the State's budget deficit. While I appreciate the Legislature's attempt to maximize federal sources of funding, it is my duty as Governor to ensure that the bills that become law can be realistically and responsibly supported by the State.

For the foregoing reason, I am returning Senate Bill No. 423 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "Linda Lingle", written in a cursive style.

LINDA LINGLE
Governor of Hawaii

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The legislature has historically recognized the
2 importance of making medicaid coverage available for the State's
3 most vulnerable populations, and has acted to ensure that health
4 care payments made with state funds or controlled by the State
5 are sufficient to cover the actual costs of the care provided.
6 Through the continued efforts of Hawaii's congressional
7 delegation, a federal medicaid disproportionate share hospital
8 appropriation of \$12,500,000 has been secured for Hawaii. These
9 funds cannot be expended without a matching state appropriation.
10 Together, the combined state and federal funding will help to
11 provide continuing health 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 state funds to maximize the
15 availability 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 \$12,291,054 or so
3 much thereof as may be necessary for fiscal year 2009-2010 to
4 match the federal disproportionate share hospital allowance
5 allocated to the State; provided that some appropriated funds
6 may be used to obtain matching federal disproportionate share
7 hospital allowance for prior fiscal year expenditures by the
8 State.

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

11 SECTION 3. This Act shall take effect on July 1, 2009.