A BILL FOR AN ACT

RELATING TO THE FEDERAL DISPROPORTIONATE SHARE HOSPITAL FUNDS.

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 \$15,000,000 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 In 2009, the legislature overrode the governor's veto of a
- 13 bill that appropriated the state matching funds. That bill
- 14 became Act 23, Special Session Laws of Hawaii 2009. To date,
- 15 the governor has not released the state funds. The federal
- 16 funds remain available to Hawaii.

- 1 The legislature finds that the \$15,000,000 in federal funds
- 2 consists of \$2,500,000 appropriated for the fourth quarter of
- 3 federal fiscal year 2008, \$10,000,000 for federal fiscal year
- 4 2009, and \$2,500,000 for the first quarter of federal fiscal
- 5 year 2010.
- 6 The amount of the State match is dependent upon the federal
- 7 medical assistance percentage in the year the funds are spent.
- 8 For 2010, the percentage is 54.24 per cent, with the State
- 9 obligated to provide the remaining 45.76 per cent of the total
- 10 funding, which is \$12,654,867.
- 11 The purpose of this Act is to appropriate state matching
- 12 funds to secure this critical federal funding.
- 13 SECTION 2. There is appropriated out of the general
- 14 revenues of the State of Hawaii the sum of \$12,654,867 or so
- 15 much thereof as may be necessary for fiscal year 2010-2011 to
- 16 match the federal disproportionate share hospital allowance
- 17 allocated to the State; provided that some appropriated funds
- 18 may be used to obtain matching federal disproportionate share
- 19 hospital allowance for prior fiscal year expenditures by the
- 20 State.
- 21 The sum appropriated shall be expended by the department of
- 22 human services for the purposes of this Act.

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SECTION 3. This Act shall take effect on July 1, 2010. 1

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INTRODUCED BY:

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Report Title:

Federal Disproportionate Share Hospital Allowance; State Match

Description:

Appropriates moneys for fiscal year 2010-2011 to match the federal disproportionate share hospital allowance allocated to the State; authorizes some appropriated funds to be used to obtain matching federal disproportionate share hospital allowance for prior fiscal year expenditures by the State.

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