
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 providing medicaid coverage to the State's most
3 vulnerable populations and has acted to ensure that health care
4 payments made with state funds or funds controlled by the State
5 are adequate 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.
9 Medicaid disproportionate share hospital payments are federal
10 assistance that serve a large number of low-income patients,
11 such as Medicaid patients and the uninsured. These funds,
12 however, cannot be expended without a matching state
13 appropriation. Together, the combined state and federal funding
14 provide continuing health care assistance to our communities.

15 In 2009, the legislature overrode the governor's veto of
16 legislation that appropriated state matching funds for federal
17 Medicaid disproportionate share hospital funds. That



1 legislation became Act 23, Special Session Laws of Hawaii 2009.
2 To date, the governor has not released the matching funds. The
3 federal funds, however, remain available to Hawaii.

4 The legislature finds that the \$15,000,000 in federal funds
5 consists of \$2,500,000 appropriated for the fourth quarter of
6 federal fiscal year 2008, \$10,000,000 for federal fiscal year
7 2009, and \$2,500,000 for the first quarter of federal fiscal
8 year 2010.

9 The amount of the required state matching funds is
10 dependent upon the federal medical assistance percentage in the
11 year the funds are spent. For 2010, the percentage is 54.24 per
12 cent, with the State obligated to provide the remaining 45.76
13 per cent of the total funding, which is \$12,654,867.

14 The purpose of this Act is to extend the fiscal year
15 2009-2010 appropriation of state matching funds so this critical
16 federal funding will be available for fiscal biennium 2009 to
17 2011.

18 SECTION 2. Act 23, Special Session Laws of Hawaii 2009, is
19 amended by amending section 2 to read as follows:

20 "SECTION 2. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of [~~\$12,291,054~~]
22 \$ _____ or so much thereof as may be necessary for fiscal



1 ~~[year 2009-2010]~~ biennium 2009-2011 to match the federal
2 disproportionate share hospital allowance allocated to the
3 State; provided that some appropriated funds may be used to
4 obtain matching federal disproportionate share hospital
5 allowance for prior fiscal year expenditures by the State.

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

8 SECTION 3. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Federal Disproportionate Share Hospital Allowance; State Match

Description:

Makes moneys appropriated for fiscal year 2009-2010 to match the federal disproportionate share hospital allowance allocated to the State available for expenditure in the 2009-2011 fiscal biennium; authorizes some appropriated funds to be used to obtain matching federal disproportionate share hospital allowance for prior fiscal year expenditures by the State. Effective 7/1/2050.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

