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 understands that medicaid
- 4 payments to providers must be sufficient to cover the actual
- 5 costs of the care provided. Through the continued efforts of
- 6 Hawaii's congressional delegation, a federal medicaid
- 7 disproportionate share hospital appropriation of \$10,000,000 per
- 8 year (or \$2,500,000 per quarter) has been secured for Hawaii
- 9 through 2019. However, these funds cannot be drawn down without
- 10 a matching state appropriation. The legislature finds that the
- 11 combined state and federal funding will help to provide
- 12 continuing health care in Hawaii's communities.
- The appropriation contained in this Act matches \$10,000,000
- 14 in federal disproportionate share hospital funds that are
- 15 available for the second, third, and fourth quarters of fiscal
- 16 year 2010 and the first quarter of fiscal year 2011.
- 17 The legislature acknowledges that the amount of the state
- 18 match is dependent upon the federal medical assistance



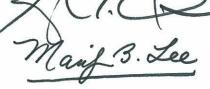
- 1 percentage in the year the funds are spent. For fiscal year
- 2 2010, Hawaii's federal medical assistance percentage is 54.24
- 3 per cent, meaning that in order to draw down the \$7,500,000 in
- 4 available federal disproportionate share hospital funds for the
- 5 three quarters in 2010, the State is obligated to provide the
- 6 remainder, or 45.76 per cent, of the total funding, which is
- 7 \$6,327,434. For fiscal year 2011 Hawaii's federal medical
- 8 assistance percentage is 51.79 per cent. To draw down the
- 9 \$2,500,000 in federal disproportionate share hospital funds for
- 10 the first quarter of 2010, the State is obligated to provide
- 11 \$2,327,187. The total for the four quarters is \$8,654,621.
- 12 SECTION 2. There is appropriated out of the general
- 13 revenues of the State of Hawaii the sum of \$8,654,621 or so much
- 14 thereof as may be necessary for fiscal year 2011-2012 to match
- 15 the federal disproportionate share hospital allowance allocated
- 16 to the State.
- 17 The sum appropriated shall be expended by the department of
- 18 human services for the purposes of this Act.

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1 SECTION 3. This Act shall take effect on July 1, 2011.

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INTRODUCED BY:



Jacoba Culler

JAN 2 1 2011

Report Title:

Disproportionate Share Hospital Funds; Medicaid; Appropriation

Description:

Appropriates funds to the department of human services to match the federal disproportionate share hospital allowance allocated to the State.

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