### A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 The legislature recognizes the importance of 2 medicaid coverage for the State's most vulnerable and needy 3 populations and medicaid payments to providers must therefore be 4 sufficient to cover the actual costs of care. Through the 5 efforts of Hawaii's congressional delegation, a federal 6 disproportionate share hospital appropriation of \$10,000,000 per 7 year, or \$2,500,000 per quarter, has been secured for Hawaii 8 through 2019. However, these federal funds cannot be expended 9 without state matching funds. 10 The legislature finds that the amount of the state match is 11 dependent upon the federal medical assistance percentage at the 12 time the state funds are spent. For federal fiscal year 2012, 13 Hawaii's Federal Medical Assistance Percentage is 50.48 per 14 cent, and for federal fiscal year 2013, Hawaii's Federal Medical 15 Assistance Percentage is 51.86 per cent. If Hawaii draws down

the \$10,000,000 in federal funds on October 1, 2012, or later,

the state match would be less than the state match before that

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# H.B. NO. 1956

- 1 date. At a 51.86 per cent Federal Medical Assistance
- Percentage, the state match would be \$9,282,684.
- 3 The appropriation contained in this Act will match the
- 4 \$10,000,000 in federal disproportionate share hospital funds
- 5 that are available for the second, third, and fourth quarters of
- 6 federal fiscal year 2012. Combined federal and state funding
- 7 will provide continuing medicaid health care to the community.
- 8 The purpose of this Act is to ensure continued medicaid
- 9 coverage to Hawaii residents by appropriating state funds to
- 10 match the federal disproportionate share hospital allowance.
- 11 SECTION 2. There is appropriated out of the general
- 12 revenues of the State of Hawaii the sum of \$9,282,684 or so much
- 13 thereof as may be necessary for fiscal year 2012-2013 to match
- 14 the federal disproportionate share hospital allowance allocated
- 15 to the State.
- 16 The sum appropriated shall be expended by the department of
- 17 human services for the purposes of this Act.
- 18 SECTION 3. This Act shall take effect on July 1, 2012.

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HB HMS 2012-1060

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## H.B. NO. 1956

### Report Title:

Federal Disproportionate Share Hospital Allowance; State Matching Funds

#### Description:

Appropriates \$9,282,684 for fiscal year 2012-2013 to match the federal disproportionate share hospital allowance allocated to the State. Effective July 1, 2012.

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