

ACT 22

S.B. NO. 1353

A Bill for an Act Making an Emergency Appropriation for Medicaid.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. Act 259, Session Laws of Hawaii 2001, appropriated a certain designated sum to the department of human services to provide funds for the medical assistance program under the Med-QUEST division for the fiscal period beginning July 1, 2002, and ending June 30, 2003.

A critical funding emergency exists. The medical assistance program, also known as the medicaid program, will expend all appropriated funds before the end of the current fiscal year and the department will be unable to meet its fiscal obligation to provide health and health-related services to medicaid recipients who are aged, blind, or disabled (ABD). Significant growth in recipients under the Hawaii QUEST program and the increased use and cost of prescription drugs in the fee-for-service program are the primary contributing factors to this financial situation. The recipient growth is largely due to the State's economic situation caused by the events of September 11, 2001, and was not anticipated during the previous budget periods.

To prevent the reduction or discontinuance of direct medical services, additional funds are urgently needed.

SECTION 3. There is appropriated or authorized from the sources of funding indicated below the following sums, or so much thereof as may be necessary for fiscal year 2002-2003, and to be used for health care payments to health plans and medical providers:

General funds:	\$22,726,806
Other federal funds:	\$61,138,392

The sums appropriated or authorized shall be expended by the department of human services for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 16, 2003.)