

EXECUTIVE CHAMBERS

HONOLULU

JUNE 18, 2001

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 654

Honorable Members  
Twenty-First Legislature  
State of Hawaii

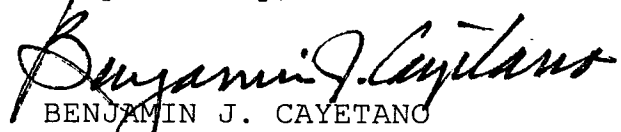
Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 654, entitled "A Bill for an Act Relating to Medicaid."

The purpose of this bill is to require the State to withdraw and amend the state Medicaid plan amendment that reduced the amount of reimbursement paid to Medicaid service providers.

This bill is objectionable because no funds were appropriated for the purpose of this bill. The Medicaid plan amendment was approved in 2000 by the United States Health Care Financing Administration and the budgeted amounts for the reimbursement of Medicaid service providers are based on the reduced rates. Without additional moneys for the payment of higher rates, the Department of Human Services cannot restore the pre-amendment rates.

For the foregoing reasons, I am returning Senate Bill No. 654 without my approval.

Respectfully,

  
BENJAMIN J. CAYETANO  
Governor of Hawaii