
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 making Medicaid coverage available for the State's
3 most vulnerable populations and has acted to ensure that health
4 care payments made with state funds or controlled by the State
5 are sufficient 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. These
9 funds cannot be expended without a matching state appropriation.
10 Together, the combined state and federal funding will help to
11 provide continuing health care in our communities.

12 In 2009, the legislature overrode the governor's veto of a
13 bill that appropriated the state matching funds. That bill
14 became Act 23, Special Session Laws of Hawaii 2009. To date,
15 the governor has not released the state funds while the federal
16 funds remain available to Hawaii.

17 The legislature finds that the \$15,000,000 in federal funds
18 consists of \$2,500,000 appropriated for the fourth quarter of



1 federal fiscal year 2008, \$10,000,000 for federal fiscal year
2 2009, and \$2,500,000 for the first quarter of federal fiscal
3 year 2010.

4 The amount of the state match is dependent upon the federal
5 medical assistance percentage in the year the funds are spent.
6 For 2010, the percentage is 54.24 per cent, with the State
7 obligated to provide the remaining 45.76 per cent of the total
8 funding, which is \$12,654,867.

9 The purpose of this Act is to extend until June 30, 2011,
10 the lapsing of the appropriation authorized by Act 23, Special
11 Session Laws of Hawaii 2009, so that previously allocated but
12 unused funds will act as matching funds to secure critical
13 federal funding.

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

16 "SECTION 2. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$12,291,054 or so
18 much thereof as may be necessary for fiscal year 2009-2010 to
19 match the federal disproportionate share hospital allowance
20 allocated to the State; provided that some appropriated funds
21 may be used to obtain matching federal disproportionate share
22 hospital allowance for prior fiscal year expenditures by the



1 State[-]; provided further that the sum appropriated shall not
2 lapse until June 30, 2011.

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

5 SECTION 3. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

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



Report Title:

Federal Disproportionate Share Hospital Allowance; State Match

Description:

Extends until June 30, 2011, the lapsing of the appropriation authorized by Act 23, Special Session Laws of Hawaii 2009, so that previously allocated but unused funds may be used to secure critical federal funding. (HB2084 CD1)

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