

FEB 02 2009

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# SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A COMPREHENSIVE FINANCIAL  
AUDIT OF ALL FEDERAL FUNDS DESIGNATED FOR HEALTH CARE  
RECEIVED BY THE DEPARTMENT OF HUMAN SERVICES.

1           WHEREAS, the State of Hawaii receives large sums of federal  
2 funds through the Department of Budget and Finance for the  
3 Medicaid and QUEST programs, which are designated for health  
4 care purposes; and

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6           WHEREAS, the Department of Human Services and the  
7 Department of Budget and Finance have oversight of and make  
8 distribution of these federal funds to various programs, plans,  
9 hospitals, and health care providers; and

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11           WHEREAS, the manner by which the Department of Human  
12 Services and the Department of Budget and Finance determine how  
13 federal funds designated for health care purposes are to be  
14 distributed needs to comply with specific federal rules  
15 governing the use of those federal funds; and

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17           WHEREAS, the manner by which those federal funds are used  
18 for health care purposes and distributed to programs, plans,  
19 hospitals, and health care providers is not regularly reviewed  
20 for compliance with federal rules or otherwise disclosed by the  
21 Department of Human Services or the Department of Budget and  
22 Finance; and

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24           WHEREAS, a comprehensive financial audit of the federal  
25 funds designated for health care purposes which are received and  
26 distributed by the Department of Human Services and the  
27 Department of Budget and Finance will help to ensure that the  
28 manner in which the distribution of those federal funds is made  
29 complies with federal rules governing proper usage of federal  
30 funds designated for health care; and

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# S.C.R. NO. 28

1           WHEREAS, a comprehensive financial audit of those federal  
2 funds will help to ensure that appropriate reimbursement is  
3 being made to programs, plans, hospitals, and health care  
4 providers for medical care provided; now, therefore,  
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6           BE IT RESOLVED by the Senate of the Twenty-fifth  
7 Legislature of the State of Hawaii, Regular Session of 2009, the  
8 House of Representatives concurring, that the Auditor is  
9 respectfully requested to conduct a comprehensive financial  
10 audit of all federal funds designated for health care purposes  
11 which are received by the State of Hawaii for compliance with  
12 federal requirements; and  
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14           BE IT FURTHER RESOLVED that the Auditor is also requested  
15 to conduct an audit of the manner and means by which federal  
16 funds designated for health care purposes is distributed through  
17 the Department of Budget and Finance to the Department of Human  
18 Services, as well as the amounts paid to various programs,  
19 plans, hospitals, and other health care providers; and  
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21           BE IT FURTHER RESOLVED that the Auditor is requested to  
22 report its findings and recommendations to the Legislature no  
23 later than twenty days prior to the convening of the Regular  
24 Session of 2010; and  
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26           BE IT FURTHER RESOLVED that the Legislative Reference  
27 Bureau is requested to assist the Auditor with drafting any  
28 proposed legislation needed to implement the Auditor's  
29 recommendations; and  
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31           BE IT FURTHER RESOLVED that certified copies of this  
32 Concurrent Resolution be transmitted to the Governor, the  
33 Director of Human Services, the Director of Budget and Finance,  
34 the Auditor, and the Director of the Legislative Reference  
35 Bureau.  
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OFFERED BY: Arvid Y Ge

