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## A BILL FOR AN ACT

RELATING TO HEALTH.

**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 understands that medicaid  
4 payments to providers must be sufficient to cover the actual  
5 costs of the care provided. Through the continued efforts of  
6 Hawaii's congressional delegation, a federal medicaid  
7 disproportionate share hospital appropriation of \$10,000,000 per  
8 year (or \$2,500,000 per quarter) has been secured for Hawaii  
9 through 2019. However, these funds cannot be drawn down without  
10 a matching state appropriation. The legislature finds that the  
11 combined state and federal funding will help to provide  
12 continuing health care in Hawaii's communities.

13           The appropriation contained in this Act matches \$10,000,000  
14 in federal disproportionate share hospital funds that are  
15 available for the second, third, and fourth quarters of fiscal  
16 year 2010 and the first quarter of fiscal year 2011.

17           The legislature acknowledges that the amount of the state  
18 match is dependent upon the federal medical assistance



1 percentage in the year the funds are spent. For fiscal year  
2 2010, Hawaii's federal medical assistance percentage is 54.24  
3 per cent, meaning that in order to draw down the \$7,500,000 in  
4 available federal disproportionate share hospital funds for the  
5 three quarters in 2010, the State is obligated to provide the  
6 remainder, or 45.76 per cent, of the total funding, which is  
7 \$6,327,434. For fiscal year 2011 Hawaii's federal medical  
8 assistance percentage is 51.79 per cent. To draw down the  
9 \$2,500,000 in federal disproportionate share hospital funds for  
10 the first quarter of 2010, the State is obligated to provide  
11 \$2,327,187. The total for the four quarters is \$8,654,621.

12 SECTION 2. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$8,654,621 or so much  
14 thereof as may be necessary for fiscal year 2011-2012 to match  
15 the federal disproportionate share hospital allowance allocated  
16 to the State.

17 The sum appropriated shall be expended by the department of  
18 human services for the purposes of this Act.

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1 SECTION 3. This Act shall take effect on July 1, 2011.

2

INTRODUCED BY:

By  
Assembly  
77.02  
Maif B. Lee  
July  
2011  
2011  
2011  
2011

JAN 21 2011



**Report Title:**

Disproportionate Share Hospital Funds; Medicaid; Appropriation

**Description:**

Appropriates funds to the department of human services to match the federal disproportionate share hospital allowance allocated to the State.

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

