

1 (b) Moneys in the medicaid matching program special fund
2 shall consist of general excise taxes collected by the
3 department of taxation from health care services and classified
4 as provider fees each fiscal year, pursuant to section 237-
5 31(a)(4).

6 (c) No less than ninety-five per cent of the medicaid
7 matching program special fund shall be used exclusively to match
8 any federal medicaid funds available to the State.

9 (d) An amount not to exceed five per cent of the medicaid
10 matching program special fund shall be used to pay the
11 administrative expenses of the State.

12 **§ -4 Federal approval.** The department shall seek any
13 approvals from federal authorities, such as the Centers for
14 Medicare and Medicaid Services, that may be necessary to
15 implement this program.

16 **§ -5 Administrative matters.** The director of human
17 services shall adopt rules pursuant to chapter 91 necessary for
18 the purposes of this section.

19 **§ -6 Severability.** If any provision of this chapter or
20 the application thereof to any person or circumstances is held
21 invalid, the invalidity shall not affect other provisions or
22 applications of the chapter which can be given effect without



1 the invalid provision or application, and to this end the
2 provisions of this chapter are severable."

3 SECTION 2. Section 237-31, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§237-31 Remittances. (a) All remittances of taxes
6 imposed by this chapter shall be made by money, bank draft,
7 check, cashier's check, money order, or certificate of deposit
8 to the office of the department of taxation to which the return
9 was transmitted. The department shall issue its receipts
10 therefor to the taxpayer and shall pay the moneys into the state
11 treasury as a state realization, to be kept and accounted for as
12 provided by law; provided that:

13 (1) The sum from all general excise tax revenues realized
14 by the State that represents the difference between
15 \$45,000,000 and the proceeds from the sale of any
16 general obligation bonds authorized for that fiscal
17 year for the purposes of the state educational
18 facilities improvement special fund shall be deposited
19 in the state treasury in each fiscal year to the
20 credit of the state educational facilities improvement
21 special fund;



- 1 (2) A sum, not to exceed \$5,000,000, from all general
2 excise tax revenues realized by the State shall be
3 deposited in the state treasury in each fiscal year to
4 the credit of the compound interest bond reserve fund;
5 [and]
- 6 (3) A sum from all general excise tax revenues realized by
7 the State that is equal to one-half of the total
8 amount of funds appropriated or transferred out of the
9 hurricane reserve trust fund under sections 4 and 5 of
10 Act 62, Session Laws of Hawaii 2011, shall be
11 deposited into the hurricane reserve trust fund in
12 fiscal year 2013-2014 and in fiscal year 2014-2015;
13 provided that the deposit required in each fiscal year
14 shall be made by October 1 of that fiscal year[-]; and
- 15 (4) A percentage, as designated in subsection (b), from
16 all the taxes under this chapter collected from health
17 care services each fiscal year, with the exception of
18 the county surcharge on state tax authorized by
19 section 46-16.8, shall be classified as provider fees,
20 transferred to the department of human services, and
21 subsequently deposited into the medicaid matching
22 program special fund described in chapter .



1 (b) The amount of excise taxes from health care services
2 classified as provider fees shall be:

3 (1) 10 per cent in fiscal year 2012-2013;

4 (2) 20 per cent in fiscal year 2013-2014;

5 (3) 30 per cent in fiscal year 2014-2015;

6 (4) 40 per cent in fiscal year 2015-2016;

7 (5) 50 per cent in fiscal year 2016-2017;

8 (6) 60 per cent in fiscal year 2017-2018;

9 (7) 70 per cent in fiscal year 2018-2019;

10 (8) 80 per cent in fiscal year 2019-2020;

11 (9) 90 per cent in fiscal year 2020-2021;

12 (10) 100 per cent in fiscal year 2021-2022 and in every
13 subsequent fiscal year.

14 (c) For purposes of subsection (a)(4), "health care
15 services" means the following medical services: preventive care,
16 emergency care, inpatient and outpatient hospital and physician
17 care, home nursing care, nursing and care home services,
18 diagnostic laboratory services, diagnostic and therapeutic
19 radiological services, counseling, and services purchased from
20 dentists, chiropractors, optometrists, psychologists, and
21 physical therapists.



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1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect on July 1, 2012.

4

INTRODUCED BY: *Hyndy Pire*

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JAN 25 2012



H.B. NO. 2837

Report Title:

Health care Services; General Excise Tax

Description:

Dedicates a percentage of general excise taxes generated from health care service providers to match federal medicaid funds.

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