

JAN 21 2011

S.B. NO. 978

A BILL FOR AN ACT

RELATING TO MEDICAID.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The Affordable Care Act, P.L. 111-148, requires
2 that by January 1, 2014 states are to have established a
3 functional health insurance exchange. States are required to
4 use the information from applications submitted through the
5 exchange to determine eligibility for medicaid. Hawaii's
6 current twenty-three-year-old information technology system for
7 determining medicaid eligibility is not capable of performing
8 the functions required by the Affordable Care Act, P.L. 111-148.
9 Because numerous states are facing issues presented by
10 antiquated medicaid-related information technology systems, the
11 United States Centers for Medicare and Medicaid Services is
12 expected to make available ninety per cent federal matching
13 funds for specific types of eligibility system upgrades.

14 A new information technology system for determining
15 medicaid eligibility will streamline the eligibility process,
16 allow greater transparency to the community and applicants, and
17 facilitate increased integrity of recipient eligibility through
18 electronic interfaces for data verification. The purpose of



1 this Act is to provide funds to establish a new information
2 technology system for determining medicaid eligibility within
3 the State, and to take advantage of the opportunity presented by
4 the provision of federal funding for this purpose.

5 SECTION 2. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$4,000,000 or so much
7 thereof as may be necessary for fiscal year 2011-2012 to provide
8 funding for the implementation of a new system for determining
9 medicaid eligibility; provided that no funds shall be made
10 available under this Act unless the United States Centers for
11 Medicare and Medicaid Services provides ninety per cent of the
12 funds required for the purpose for which this sum is
13 appropriated; provided further that the new system for
14 determining medicaid eligibility shall perform the functions
15 required by the Affordable Care Act, P.L. 111-148, streamline
16 the eligibility process, allow greater transparency to the
17 community and applicants, and facilitate increased integrity of
18 recipient eligibility through electronic interfaces for data
19 verification.

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

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

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INTRODUCED BY: Erzanne Chun Oakland

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Report Title:

Medicaid Eligibility Information Technology Infrastructure;
Med-QUEST; Health Reform; Appropriation

Description:

Appropriates moneys to the department of human services for implementing a new information technology system for determining medicaid eligibility.

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