



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

June 7, 2019

**GOV. MSG. NO. 1190**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

SB1238 SD1 HD1 CD1

RELATING TO ESTABLISHING THE EXECUTIVE  
OFFICE ON AGING ADMINISTRATIVE CLAIMING  
SPECIAL FUND.  
**ACT 089 (19)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

# A BILL FOR AN ACT

RELATING TO ESTABLISHING THE EXECUTIVE OFFICE ON AGING  
ADMINISTRATIVE CLAIMING SPECIAL FUND.

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

1           SECTION 1. Federal financial participation under medicaid  
2 is a percentage of state expenditures that can be reimbursed by  
3 the federal government to pay for administrative and program  
4 costs of state agencies or other entities that provide long-term  
5 services and supports to medicaid clients. In Hawaii, the  
6 executive office on aging and the aging and disability resource  
7 centers are eligible for federal financial participation because  
8 they spend money on administrative functions to provide long-  
9 term services and supports to medicaid clients. If the  
10 executive office on aging and the aging and disability resource  
11 centers were to receive their share of federal financial  
12 participation for administrative costs, they would be able to  
13 expand their programs and services and serve more individuals.  
14 Furthermore, if federal financial participation could be  
15 directly deposited into a special fund established in the  
16 executive office on aging, funds could be easily distributed to  
17 the aging and disability resource centers to support the work



1 they were established to perform pursuant to section 349-32,  
2 Hawaii Revised Statutes.

3 The State is currently not receiving all federal funds it  
4 is eligible to receive. It is estimated that the annual federal  
5 financial participation claims for the executive office on aging  
6 and the four aging and disability resource centers would equal  
7 \$1,283,000 in state fiscal year 2018-2019, \$1,443,000 in state  
8 fiscal year 2019-2020, \$1,686,000 in state fiscal year  
9 2020-2021, \$1,887,000 in state fiscal year 2021-2022, and  
10 \$2,036,000 in state fiscal year 2022-2023. According to the  
11 Administration for Community Living of the United States  
12 Department of Health and Human Services, most states claim  
13 between \$500,000 to \$2,000,000 per year.

14 The purpose of this Act is to establish the executive  
15 office on aging administrative claiming special fund to enhance  
16 the drawdown of anticipated federal funds and provide additional  
17 moneys to support services for kupuna and individuals with  
18 disabilities who need long-term services and supports.

19 SECTION 2. Chapter 349, Hawaii Revised Statutes, is  
20 amended by adding a new section to part I to be appropriately  
21 designated and to read as follows:



1        "§349- Executive office on aging administrative claiming  
2 special fund. (a) There is established in the state treasury  
3 the executive office on aging administrative claiming special  
4 fund into which shall be deposited:

5        (1) All revenues from medicaid administrative claiming  
6        designated for the department of health that are  
7        allowable for operating the aging and disability  
8        resource centers;

9        (2) Appropriations made by the legislature to the fund;  
10       and

11       (3) Grants and gifts made to the fund.

12       (b) The executive office on aging administrative claiming  
13 special fund shall be administered and expended by the  
14 department of health to implement section 349-32 for services  
15 for kupuna and individuals with disabilities who need long-term  
16 services and supports."

17       SECTION 3. There is appropriated out of the executive  
18 office on aging administrative claiming special fund the sum of  
19 \$1,443,000 or so much thereof as may be necessary for fiscal  
20 year 2019-2020 to implement section 349-32, Hawaii Revised



1 Statutes, for services for kupuna and individuals with  
2 disabilities who need long-term services and supports.

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

5 SECTION 4. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 5. This Act shall take effect on July 1, 2019.

APPROVED this 7 day of JUN, 2019

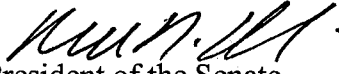



GOVERNOR OF THE STATE OF HAWAII

**THE SENATE OF THE STATE OF HAWAI'I**

Date: April 30, 2019  
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019.

  
President of the Senate

  
Clerk of the Senate

SB No. 1238, SD 1, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2019  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives