
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



1 the aging and disability resource centers to support the work
2 they were established to perform pursuant to section 349-32,
3 Hawaii Revised Statutes.

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

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



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

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

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

12 (2) Appropriations made by the legislature to the fund;
13 and

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

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

20 SECTION 3. Section 36-30, Hawaii Revised Statutes, is
21 amended by amending subsection (a) to read as follows:



- 1 "(a) Each special fund, except the:
- 2 (1) Special out-of-school time instructional program fund
- 3 under section 302A-1310;
- 4 (2) School cafeteria special funds of the department of
- 5 education;
- 6 (3) Special funds of the University of Hawaii;
- 7 (4) State educational facilities improvement special fund;
- 8 (5) Special funds established by section 206E-6;
- 9 (6) Aloha Tower fund created by section 206J-17;
- 10 (7) Funds of the employees' retirement system created by
- 11 section 88-109;
- 12 (8) Hawaii hurricane relief fund established under chapter
- 13 431P;
- 14 (9) Convention center enterprise special fund established
- 15 under section 201B-8;
- 16 (10) Hawaii health systems corporation special funds and
- 17 the subaccounts of its regional system boards;
- 18 (11) Tourism special fund established under section
- 19 201B-11;
- 20 (12) Universal service fund established under section
- 21 269-42;



- 1 (13) Emergency and budget reserve fund under section
2 328L-3;
- 3 (14) Public schools special fees and charges fund under
4 section 302A-1130;
- 5 (15) Sport fish special fund under section 187A-9.5;
- 6 [+](16)[+] Neurotrauma special fund under section 321H-4;
- 7 [+](17)[+] Center for nursing special fund under section
8 304A-2163;
- 9 [+](18)[+] Passenger facility charge special fund
10 established by section 261-5.5;
- 11 [+](19)[+] Court interpreting services revolving fund under
12 section 607-1.5;
- 13 [+](20)[+] Trauma system special fund under section 321-
14 22.5;
- 15 [+](21)[+] Hawaii cancer research special fund;
- 16 [+](22)[+] Community health centers special fund;
- 17 [+](23)[+] Emergency medical services special fund;
- 18 [+](24)[+] Rental motor vehicle customer facility charge
19 special fund established under section 261-5.6;
- 20 [+](25)[+] Shared services technology special fund under
21 section 27-43;



1 [+] (26) [+] Nursing facility sustainability program special
2 fund established pursuant to [+]section 346F-4[+];

3 [+] (27) [+] Automated victim information and notification
4 system special fund established under section 353-136;

5 [+] (28) [+] Hospital sustainability program special fund
6 under [+]section 346G-4[+]; [~~and~~]

7 [+] (29) [+] Civil monetary penalty special fund under section
8 321-30.2[~~7~~]; and

9 (30) Executive office on aging administrative claiming
10 special fund under section 349- ,

11 shall be responsible for its pro rata share of the
12 administrative expenses incurred by the department responsible
13 for the operations supported by the special fund concerned."

14 SECTION 4. There is appropriated out of the executive
15 office on aging administrative claiming special fund the sum of
16 \$ or so much thereof as may be necessary for fiscal year
17 2019-2020 to implement section 349-32, Hawaii Revised Statutes,
18 for services for kupuna and individuals with disabilities who
19 need long-term services and supports.

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



1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Executive Office on Aging; Special Fund; Medicaid; Appropriation

Description:

Creates the Executive Office on Aging Administrative Claiming Special Fund to enhance the drawdown of federal funds.

Appropriates funds. (SB1238 HD1)

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