

ACT 89

S.B. NO. 1238

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:

SECTION 1. Federal financial participation under medicaid is a percentage of state expenditures that can be reimbursed by the federal government to pay for administrative and program costs of state agencies or other entities that provide long-term services and supports to medicaid clients. In Hawaii, the

executive office on aging and the aging and disability resource centers are eligible for federal financial participation because they spend money on administrative functions to provide long-term services and supports to medicaid clients. If the executive office on aging and the aging and disability resource centers were to receive their share of federal financial participation for administrative costs, they would be able to expand their programs and services and serve more individuals. Furthermore, if federal financial participation could be directly deposited into a special fund established in the executive office on aging, funds could be easily distributed to the aging and disability resource centers to support the work they were established to perform pursuant to section 349-32, Hawaii Revised Statutes.

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

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

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

“§349- Executive office on aging administrative claiming special fund.

(a) There is established in the state treasury the executive office on aging administrative claiming special fund into which shall be deposited:

- (1) All revenues from medicaid administrative claiming designated for the department of health that are allowable for operating the aging and disability resource centers;
- (2) Appropriations made by the legislature to the fund; and
- (3) Grants and gifts made to the fund.

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

SECTION 3. There is appropriated out of the executive office on aging administrative claiming special fund the sum of \$1,443,000 or so much thereof as may be necessary for fiscal year 2019-2020 to implement section 349-32, Hawaii Revised Statutes, for services for kupuna and individuals with disabilities who need long-term services and supports.

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

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

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

(Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.