

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Consumer Information & Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201



September 5, 2018

**VIA ELECTRONIC MAIL:** Leonard.Hoshijo@hawaii.gov

Leonard Hoshijo  
Director, Department of Labor and Industrial Relations  
State of Hawai'i  
830 Punchbowl St #321  
Honolulu, HI 96813

Dear Director Hoshijo:

On December 30, 2016, the Department of Health & Human Services and the Department of the Treasury (the Departments) approved Hawai'i's State Innovation Waiver under section 1332 of the Patient Protection and Affordable Care Act (PPACA). Hawai'i's application sought to waive PPACA's requirement that a Small Business Health Options Program (SHOP) operate in Hawai'i and other related requirements relevant to SHOP Exchanges. The pass-through funding associated with this waiver for calendar year 2019 is estimated to be \$306,406. This amount will be subject to a final administrative determination by the Department of the Treasury prior to payment. In addition, this amount will be subject to sequestration in 2019. As a result, amounts payable in fiscal year 2019 will be reduced by 6.2 percent.

If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Robert Yates at [Robert.Yates@cms.hhs.gov](mailto:Robert.Yates@cms.hhs.gov), Lina Rashid at [Lina.Rashid@cms.hhs.gov](mailto:Lina.Rashid@cms.hhs.gov), or [stateinnovationwaivers@cms.hhs.gov](mailto:stateinnovationwaivers@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Randy Pate', is written over a light blue horizontal line.

Randy Pate  
Director, Center for Consumer Information and Insurance Oversight  
Deputy Administrator, Centers for Medicare & Medicaid Services

Cc: David Kautter, Assistant Secretary for Tax Policy, U.S. Department of the Treasury  
The Honorable David Y. Ige, Governor of Hawai'i  
Commissioner Gordon I. Ito, Hawai'i Department of Commerce Consumer Affairs – Ins. Division