

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



September 11, 2017

VIA ELECTRONIC MAIL: linda.c.takayama@hawaii.gov

Linda Chu Takayama
Director of Labor and Industrial Relations
State of Hawai'i
830 Punchbowl St # 321
Honolulu, HI 96813

Dear Mrs. Takayama:

Per our letter dated December 30, 2016, the Department of Health and Human Services (HHS) and the Department of the Treasury (collectively, the Departments) approved Hawai'i's Section 1332 waiver application on December 30, 2016 to waive the Patient Protection and Affordable Care Act (ACA) requirement that a Small Business Health Options Program (SHOP) operate in Hawai'i and other related requirements relevant to SHOP Exchanges. The approval letter outlined that the total pass-through amount for the 2017 to 2021 waiver period is estimated to be \$2,795,766. The amount of pass-through funding for calendar years 2018 through 2021 will be calculated by the Departments annually (per ACA section 1332(a)(3)) and reported to the State. The pass-through funding for calendar year 2018 is estimated to be \$999,069. This amount will be subject to a final administrative determination by the Treasury prior to payment. In addition, this amount will be subject to sequestration in 2018. As a result, amounts payable in fiscal year 2018 will be reduced by 6.6 percent.

If you have any questions regarding program matters or official correspondence concerning the waiver to Lina Rashid at Lina.Rashid@cms.hhs.gov or stateinnovationwaivers@cms.hhs.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randy Pate", is written over the word "Sincerely,".

Randy Pate
Director, Center for Consumer Information & 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, Department of Commerce and Consumer Affairs-Insurance Division