

JAN 22 2009

A BILL FOR AN ACT

RELATING TO PHYSICIAN WORKFORCE ASSESSMENT.

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

1 SECTION 1. The legislature finds that the State's
2 population growth and rapidly aging population will
3 significantly increase the demand for physician services.
4 Hawaii's physician workforce is also aging. Federal statistics
5 show that over a third of the State's physicians are fifty-five
6 years of age or older and can be expected to leave the workforce
7 at a time when demand is escalating. Furthermore, physician
8 shortages will likely reduce access to care, particularly for
9 neighbor island residents, the elderly, and the indigent
10 statewide. Physician workforce shortages will also
11 significantly raise the already high cost of medical care. In
12 2006, the federal government projected an across-the-board
13 national physician shortage by the year 2020. Medical
14 specialties whose physicians serve a large proportion of the
15 elderly, such as ophthalmology and cardiology, may experience
16 shortages ranging from thirty to fifty per cent. Many states



1 have published internal studies that similarly forecast
2 physician shortages.

3 The legislature finds it prudent to assess Hawaii's
4 physician workforce on a continual basis. On-going assessments
5 based on reliable physician workforce data will support
6 proactive measures to prevent or ameliorate the impact of
7 physician shortages in Hawaii.

8 The purpose of this Act is to implement statewide physician
9 workforce assessment and planning.

10 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
11 amended by adding a new section to be appropriately designated
12 and to read as follows:

13 "§304A- John A. Burns school of medicine special fund.

14 (a) There is established the John A. Burns school of medicine
15 special fund, to be administered and expended by the University
16 of Hawaii.

17 (b) The following shall be deposited into the special
18 fund:

19 (1) Appropriations by the legislature;

20 (2) Physician workforce assessment fees established
21 pursuant to section 453- ;



1 (3) Grants, donations, gifts, or other income received for
2 the purposes of the special fund; and

3 (4) Interest earned or accrued on moneys in the special
4 fund.

5 (c) Moneys in the special fund shall be used to support
6 the John A. Burns school of medicine's activities related to
7 physician workforce assessment and planning within Hawaii."

8 SECTION 3. Chapter 453, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 "§453- Physician workforce assessment fee; license;
12 physician workforce information. When a license is initially
13 issued or renewed, each physician or surgeon and each
14 osteopathic physician or surgeon shall:

15 (1) Be assessed a fee of \$60, which shall be deposited
16 into the John A. Burns school of medicine special fund
17 established under section 304A- to support ongoing
18 assessment and planning of the physician workforce in
19 Hawaii. Payment of the physician workforce assessment
20 fee shall be required for the issuance of a new
21 license or for a license renewal; and



1 (2) For the purpose of maintaining accurate physician
2 workforce assessment information, provide or update
3 personal and professional information, which shall not
4 include information pertaining to revocation,
5 limitation, suspension, or denial of a license, that
6 is requested by the Hawaii medical board and
7 transmitted to the John A. Burns school of medicine to
8 be maintained in a secure database. The John A. Burns
9 school of medicine may disclose information specific
10 to any physician only with the express written consent
11 of that physician. Provision of this information
12 shall be required for the issuance of a new license or
13 for a license renewal."

14 SECTION 4. Section 26-9, Hawaii Revised Statutes, is
15 amended by amending subsection (o) to read as follows:

16 "(o) Every person licensed under any chapter within the
17 jurisdiction of the department of commerce and consumer affairs
18 and every person licensed subject to chapter 485A or registered
19 under chapter 467B shall pay upon issuance of a license, permit,
20 certificate, or registration a fee and a subsequent annual fee
21 to be determined by the director and adjusted from time to time
22 to ensure that the proceeds, together with all other fines,



1 income, and penalties collected under this section, do not
2 surpass the annual operating costs of conducting compliance
3 resolution activities required under this section. The fees may
4 be collected biennially or pursuant to rules adopted under
5 chapter 91, and shall be deposited into the special fund
6 established under this subsection[-]; provided that the amounts
7 received under section 453- for physician workforce
8 assessment and planning shall be transferred on a quarterly
9 basis from the compliance resolution fund for deposit into the
10 John A. Burns school of medicine special fund established
11 pursuant to section 304A- . Every filing pursuant to chapter
12 514E or section 485A-202(a)(26) shall be assessed, upon initial
13 filing and at each renewal period in which a renewal is
14 required, a fee that shall be prescribed by rules adopted under
15 chapter 91, and that shall be deposited into the special fund
16 established under this subsection. Any unpaid fee shall be paid
17 by the licensed person, upon application for renewal,
18 restoration, reactivation, or reinstatement of a license, and by
19 the person responsible for the renewal, restoration,
20 reactivation, or reinstatement of a license, upon the
21 application for renewal, restoration, reactivation, or
22 reinstatement of the license. If the fees are not paid, the



1 director may deny renewal, restoration, reactivation, or
2 reinstatement of the license. The director may establish,
3 increase, decrease, or repeal the fees when necessary pursuant
4 to rules adopted under chapter 91. The director may also
5 increase or decrease the fees pursuant to section 92-28.

6 There is created in the state treasury a special fund to be
7 known as the compliance resolution fund to be expended by the
8 director's designated representatives as provided by this
9 subsection. Notwithstanding any law to the contrary, all
10 revenues, fees, and fines collected by the department shall be
11 deposited into the compliance resolution fund. Unencumbered
12 balances existing on June 30, 1999, in the cable television fund
13 under chapter 440G, the division of consumer advocacy fund under
14 chapter 269, the financial institution examiners' revolving
15 fund, section 412:2-109, the special handling fund, section 414-
16 13, and unencumbered balances existing on June 30, 2002, in the
17 insurance regulation fund, section 431:2-215, shall be deposited
18 into the compliance resolution fund. This provision shall not
19 apply to the drivers education fund underwriters fee, section
20 431:10C-115, insurance premium taxes and revenues, revenues of
21 the workers' compensation special compensation fund, section
22 386-151, the captive insurance administrative fund, section



1 431:19-101.8, the insurance commissioner's education and
2 training fund, section 431:2-214, the medical malpractice
3 patients' compensation fund as administered under section 5 of
4 Act 232, Session Laws of Hawaii 1984, and fees collected for
5 deposit in the office of consumer protection restitution fund,
6 section 487-14, the real estate appraisers fund, section 466K-1,
7 the real estate recovery fund, section 467-16, the real estate
8 education fund, section 467-19, the contractors recovery fund,
9 section 444-26, the contractors education fund, section 444-29,
10 the condominium management education fund, section 514A-131, and
11 the condominium education trust fund, section 514B-71. Any law
12 to the contrary notwithstanding, the director may use the moneys
13 in the fund to employ, without regard to chapter 76, hearings
14 officers and attorneys. All other employees may be employed in
15 accordance with chapter 76. Any law to the contrary
16 notwithstanding, the moneys in the fund shall be used to fund
17 the operations of the department. The moneys in the fund may be
18 used to train personnel as the director deems necessary and for
19 any other activity related to compliance resolution.

20 As used in this subsection, unless otherwise required by
21 the context, "compliance resolution" means a determination of
22 whether:



- 1 (1) Any licensee or applicant under any chapter subject to
- 2 the jurisdiction of the department of commerce and
- 3 consumer affairs has complied with that chapter;
- 4 (2) Any person subject to chapter 485A has complied with
- 5 that chapter;
- 6 (3) Any person submitting any filing required by chapter
- 7 514E or section 485A-202(a)(26) has complied with
- 8 chapter 514E or section 485A-202(a)(26);
- 9 (4) Any person has complied with the prohibitions against
- 10 unfair and deceptive acts or practices in trade or
- 11 commerce; or
- 12 (5) Any person subject to chapter 467B has complied with
- 13 that chapter;

14 and includes work involved in or supporting the above functions,
15 licensing, or registration of individuals or companies regulated
16 by the department, consumer protection, and other activities of
17 the department.

18 The director shall prepare and submit an annual report to
19 the governor and the legislature on the use of the compliance
20 resolution fund. The report shall describe expenditures made
21 from the fund including non-payroll operating expenses."

1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$150,000 so much
3 thereof as may be necessary for fiscal year 2009-2010 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2010-2011 to implement statewide physician workforce assessment
6 and planning as provided in this Act.

7 The sums appropriated shall be expended by the John A.
8 Burns school of medicine of the University of Hawaii for the
9 purposes of this Act.

10 SECTION 6. There is appropriated out of the compliance
11 resolution fund the sum of \$5,000 or so much thereof as may be
12 necessary for fiscal year 2009-2010 and the same sum or so much
13 thereof as may be necessary for fiscal year 2010-2011 to be
14 deposited into the John A. Burns school of medicine special
15 fund. These sums shall be reimbursed from the John A. Burns
16 school of medicine special fund to the compliance resolution
17 fund by July 1, 2010.

18 SECTION 7. The John A. Burns school of medicine shall
19 submit a report of findings and recommendations detailing its
20 assessment of the physician workforce to the legislature and the
21 state health planning and development agency no later than



1 twenty days prior to the convening of the regular session of
2 2011 and each odd-numbered year thereafter.

3 SECTION 8. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 9. This Act shall take effect on July 1, 2009.

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INTRODUCED BY:

Randy H Baker
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Report Title:

Physician Workforce Assessment and Planning

Description:

Creates John A. Burns school of medicine special fund. Assesses \$60 fee to obtain or renew physician and osteopathic physician licenses. Transfers those fees from compliance resolution fund for deposit to the special fund for Hawaii physician workforce assessment and planning. Appropriates \$150,000 in FY 2009-2010 and FY 2010-2011. Appropriates \$5,000 from compliance resolution fund to the special fund in FY 2009-2010 and FY 2010-2011 and requires the special fund to reimburse the compliance resolution fund by 7/1/2010.

