
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1 SECTION 1. The legislature finds that many residents of
2 Hawaii are increasingly unable to obtain timely and appropriate
3 health care due to shortages of primary health care providers in
4 the State, including physicians, physician assistants, and nurse
5 practitioners. These shortages threaten the health of Hawaii's
6 residents and affect state health care costs. These shortages
7 have pushed the federal government to designate a number of
8 areas in the State, particularly rural areas, as medically
9 underserved areas, health professional shortage areas, or as
10 having medically underserved populations.

11 The legislature further finds that counties in the United
12 States with robust primary health care systems have lower costs
13 and improved patient outcomes. Recognizing this relationship,
14 many states have implemented budget line item support for the
15 primary care pipeline.

16 Family physicians and nurse practitioners are well suited
17 to rural practice due to their broad scope of clinical skills
18 across the life cycle, encompassing the inpatient, outpatient,



1 nursing home, and home setting. In addition to providing acute,
2 chronic, and preventive care, many family physicians and nurse
3 practitioners provide maternity care, family planning, and
4 mental health services. With this scope of practice, family
5 physicians and nurse practitioners are well equipped to work in
6 teams with other health professionals to develop fully
7 functioning patient-centered medical homes.

8 The University of Hawaii John A. Burns school of medicine,
9 in association with Wahiawa general hospital, conducts a fully
10 accredited three-year family medicine residency program. This
11 program has contributed over sixty family physicians who
12 currently work throughout the State of Hawaii.

13 Since 2006, a second rural residency program model has been
14 under development with the John A. Burns school of medicine and
15 the Hilo medical center. This will be the first residency
16 program established on a neighbor island. In addition to
17 training for medical students and resident physicians, this
18 model rural interdisciplinary training site will include
19 advanced practice nursing, pharmacy, psychiatry, and other areas
20 of practice. It is anticipated that this rural primary care
21 training model can be replicated on other islands.



1 The legislature further finds that the increasingly high
2 cost of a physician's and nurse practitioner's professional
3 education requires physicians and nurse practitioners to seek
4 out the higher incomes that allow them to repay their student
5 loans. However, physician and nurse practitioner salaries in
6 rural shortage areas are often lower than those in non-shortage
7 areas.

8 Loan repayment programs have been successfully used in
9 Hawaii to increase the number of educators serving in hard-to-
10 fill teaching positions and can also be used to encourage and
11 enable physicians, physician assistants, and nurse practitioners
12 to provide care in shortage areas of the State.

13 The purpose of this Act is to:

14 (1) Establish the Hawaii health corps, under the
15 University of Hawaii John A. Burns school of medicine,
16 to provide loan repayment for physicians, physician
17 assistants, and nurse practitioners who agree to work
18 in a county having a shortage of physicians, physician
19 assistants, and nurse practitioners, with priority
20 given to a rural area of that particular county; and

21 (2) Appropriate funds to increase access by medically
22 underserved resident populations to culturally



1 appropriate primary health care services by supporting
2 the development of the rural health workforce as
3 follows:

4 (A) For the Hilo medical center, by implementing and
5 sustaining the rural interdisciplinary residency
6 program; and

7 (B) For the John A. Burns school of medicine and the
8 University of Hawaii at Manoa school of nursing
9 and dental hygiene for:

10 (i) Its continued participation as the
11 Accreditation Council for Graduate Medical
12 Education-sponsoring institution;

13 (ii) Required faculty leadership in
14 accreditation, implementation, and graduate
15 medical education oversight;

16 (iii) An increased number of family medicine
17 residency slots, establishment of rotations
18 on other islands including Maui, Molokai,
19 and Kauai; and

20 (iv) A yearly incentive stipend for each resident
21 in a family practice medical and nursing



1 residency program at the Hilo medical
2 center.

3 SECTION 2. The Hawaii Revised Statutes is amended by
4 adding a new chapter to be appropriately designated and to read
5 as follows:

6 "CHAPTER

7 HAWAII HEALTH CORPS

8 § -1 Definitions. As used in this chapter, unless the
9 context requires otherwise:

10 "Loan repayment" or "repayment of loan" means the payment
11 of up to twenty per cent of a Hawaii health corps program
12 participant's health care training costs including but not
13 limited to tuition not exceeding \$35,000 per year for a maximum
14 of five years of repayment.

15 "Nurse practitioner" means a person licensed as an advanced
16 practice registered nurse under chapter 457.

17 "Physician" means a person licensed to practice medicine
18 and surgery, as required by section 453-2.

19 "Physician assistant" means a person licensed to practice
20 medicine under the supervision of a physician or osteopathic
21 physician, as required by section 453-5.3.



1 "Residency" means a physician or nurse practitioner
2 participating in an accredited program of post graduate study.

3 § -2 Hawaii health corps program established. The
4 Hawaii health corps program is established to encourage
5 physicians, physicians assistants, and nurse practitioners to
6 serve in counties having a shortage of physicians, physician
7 assistants, and nurse practitioners, with priority given to a
8 rural area county. The Hawaii health corps program shall be
9 administered by the University of Hawaii John A. Burns school of
10 medicine and the University of Hawaii at Manoa school of nursing
11 and dental hygiene. In administering the program, the
12 University of Hawaii John A. Burns school of medicine and the
13 University of Hawaii at Manoa school of nursing and dental
14 hygiene shall:

- 15 (1) Adopt rules and develop guidelines to administer the
16 program;
- 17 (2) Identify and designate areas of the counties where
18 there is a shortage of physicians, physician
19 assistants, and nurse practitioners;
- 20 (3) Establish criteria for the selection by the University
21 of Hawaii John A. Burns school of medicine of
22 physicians, physician assistants, and nurse



- 1 practitioners to participate in the Hawaii rural
2 health care provider loan repayment program;
- 3 (4) Define and determine compliance with the service
4 commitments of the Hawaii rural health care provider
5 loan repayment program;
- 6 (5) Collect and manage reimbursements from participants
7 who do not meet their service commitments under the
8 Hawaii rural health care provider loan repayment
9 program;
- 10 (6) Publicize the program, particularly to maximize
11 participation by individuals who live in areas of a
12 county where there is a shortage of physicians,
13 physician assistants, and nurse practitioners;
- 14 (7) Solicit and accept grants and donations from public
15 and private sources for the Hawaii rural health care
16 provider loan repayment program, including maximizing
17 the use of federal matching funds; and
- 18 (8) Establish criteria and procedures for calling Hawaii
19 health corps program participants into service during
20 a civil defense or other emergency.

21 § -3 Hawaii rural health care provider loan repayment
22 program. (a) There is created within the Hawaii health corps

1 program, the Hawaii rural health care provider loan repayment
2 program to be administered by the University of Hawaii John A.
3 Burns school of medicine and the University of Hawaii at Manoa
4 school of nursing and dental hygiene in partnership with a
5 lending financial institution whose operations are principally
6 conducted in Hawaii. The Hawaii rural health care provider loan
7 repayment program shall provide loan repayments to eligible
8 physicians, physician assistants, and nurse practitioners who
9 make the service commitment under subsection (b). The
10 University of Hawaii John A. Burns school of medicine and the
11 University of Hawaii at Manoa school of nursing and dental
12 hygiene shall make loan repayments directly to the financial
13 institution under subsection (b) to offset the loan repayment
14 for which the Hawaii rural health care provider loan repayment
15 program recipient would otherwise be liable. Loan repayments
16 shall commence upon the commencement of loan repayments by the
17 Hawaii rural health care provider loan repayment program
18 recipient to the lending financial institution. The University
19 of Hawaii John A. Burns school of medicine and the University of
20 Hawaii at Manoa school of nursing and dental hygiene shall
21 prioritize loan repayments in accordance with the greatest
22 specialty shortages for the particular county.



1 (b) The Hawaii rural health care provider loan repayment
2 program shall provide loan repayments on behalf of licensed
3 physicians, physician assistants, and nurse practitioners who
4 agree to serve for five consecutive years as a physician,
5 physician assistant, or nurse practitioner in a county having a
6 shortage of physicians, physician assistants, and nurse
7 practitioners, with priority given to a rural area of that
8 particular county; provided that eligible physicians, physician
9 assistants, or nurse practitioners, as applicable, shall have
10 graduated from a duly accredited medical school or nursing
11 school within the United States; provided further that
12 preference shall be given to graduates of the University of
13 Hawaii John A. Burns school of medicine or the University of
14 Hawaii at Manoa school of nursing and dental hygiene, as
15 applicable.

16 (c) Eligible participants in the Hawaii rural health care
17 provider loan program shall be determined by the University of
18 Hawaii John A. Burns school of medicine and the University of
19 Hawaii at Manoa school of nursing and dental hygiene on a
20 competitive basis and in accordance with subsection (b).

21 (d) If a Hawaii rural health care provider loan repayment
22 program participant fails to satisfy the recipient's service



1 commitment under subsection (b), the Hawaii rural health care
2 provider loan repayment program participant shall be liable for
3 the repayment of the outstanding balance of the loan to the
4 lending financial institution under subsection (b). In
5 addition, the University of Hawaii John A. Burns school of
6 medicine and the University of Hawaii at Manoa school of nursing
7 and dental hygiene may seek reimbursement for any loan repayment
8 made by the University of Hawaii John A. Burns school of
9 medicine or the University of Hawaii at Manoa school of nursing
10 and dental hygiene on behalf of the Hawaii rural health care
11 provider loan repayment program participant.

12 (e) In accordance with chapter 103D, the University of
13 Hawaii John A. Burns school of medicine and the University of
14 Hawaii at Manoa school of nursing and dental hygiene may enter
15 into written contracts with collection agencies to collect
16 delinquent reimbursements of loan repayments. All payments
17 collected, exclusive of a collection agency's commissions, shall
18 revert and be credited to the Hawaii health corps fund. A
19 collection agency that enters into a written contract with the
20 University of Hawaii John A. Burns school of medicine or the
21 University of Hawaii at Manoa school of nursing and dental
22 hygiene to collect delinquent reimbursements of loan repayments



1 pursuant to this section may collect a commission from the
2 debtor in accordance with the terms of, and up to the amounts
3 authorized in, the written contract.

4 **§ -4 Hawaii health corps first responder service**
5 **obligation.** If a civil defense or other emergency, proclaimed
6 under chapter 127 or 128 occurs, physicians, physician
7 assistants, and nurse practitioners participating in the Hawaii
8 health corps program may be ordered into service by the governor
9 as first responders to serve in areas of the State and in a
10 capacity determined by the director of health.

11 **§ -5 Rules.** The University of Hawaii John A. Burns
12 school of medicine and the University of Hawaii at Manoa school
13 of nursing and dental hygiene shall adopt rules to administer
14 this chapter. The rules shall be adopted pursuant to chapter
15 91, but shall be exempt from public notice and public hearing
16 requirements.

17 **§ -6 Hawaii health corps revolving fund.** (a) There is
18 established in the State treasury the Hawaii health corps
19 revolving fund, which shall be administered by the University of
20 Hawaii John A. Burns school of medicine and the University of
21 Hawaii at Manoa school of nursing and dental hygiene, into which
22 shall be deposited:



- 1 (1) Any funds appropriated by the legislature for the
- 2 Hawaii rural health care provider loan repayment
- 3 program;
- 4 (2) Gifts, donations, and grants from public agencies and
- 5 private persons;
- 6 (3) Reimbursements of loan repayments under the Hawaii
- 7 rural health care provider loan repayment program;
- 8 (4) Proceeds of the operations of the Hawaii health corps
- 9 program; and
- 10 (5) Interest earned or accrued on moneys deposited into
- 11 the fund.

12 (b) The University of Hawaii John A. Burns school of
 13 medicine and the University of Hawaii at Manoa school of nursing
 14 and dental hygiene may expend moneys from the fund for the
 15 purposes of this chapter, including the operational expenses of
 16 the Hawaii health corps program."

17 SECTION 3. The University of Hawaii John A. Burns school
 18 of medicine and the University of Hawaii at Manoa school of
 19 nursing and dental hygiene shall implement the Hawaii health
 20 corps program no later than June 30, 2012.

21 The deans of the University of Hawaii John A. Burns school
 22 of medicine and the University of Hawaii at Manoa school of



1 nursing and dental hygiene shall report to the legislature on
2 the status of the Hawaii health corps program no later than
3 twenty days prior to the convening of each regular session of
4 the legislature, beginning with the regular session of 2012.

5 SECTION 4. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so
7 much thereof as may be necessary for fiscal year 2011-2012 and
8 the same sum or so much thereof as may be necessary for fiscal
9 year 2012-2013 for the implementation and administration of the
10 Hawaii health corps program.

11 The sums appropriated shall be expended by the University
12 of Hawaii John A. Burns school of medicine and the University of
13 Hawaii at Manoa school of nursing and dental hygiene for the
14 purposes of this Act.

15 SECTION 5. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so
17 much thereof as may be necessary for fiscal year 2011-2012 and
18 the same sum or so much thereof as may be necessary for fiscal
19 year 2012-2013 to implement and sustain the Hilo medical
20 center's rural interdisciplinary residency program.

21 The sums appropriated shall be expended by the University
22 of Hawaii John A. Burns school of medicine and the University of



1 Hawaii at Manoa school of nursing and dental hygiene for the
2 purposes of this Act.

3 SECTION 6. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2011-2012 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2012-2013 for expenditures as follows:

- 8 (1) To enable the John A. Burns school of medicine and the
9 University of Hawaii at Manoa school of nursing and
10 dental hygiene to continue to participate as the
11 Accreditation Council for Graduate Medical Education
12 sponsoring institution and in the accreditation
13 process of the Commission on Collegiate Nursing
14 Education;
- 15 (2) For required faculty leadership in accreditation,
16 implementation, and graduate medical and nursing
17 education oversight; and
- 18 (3) To increase the number of family medicine and nursing
19 residency slots, and establish rotations on other
20 islands, including Maui, Molokai, and Kauai.

21 The sums appropriated shall be expended by the University
22 of Hawaii John A. Burns school of medicine and the University of



1 Hawaii at Manoa school of nursing and dental hygiene for the
2 purposes of this Act.

3 SECTION 7. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2011-2012 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2012-2013 to provide a yearly incentive stipend in an
8 amount to be determined by the University of Hawaii John A.
9 Burns school of medicine and the University of Hawaii at Manoa
10 school of nursing and dental hygiene to each medical and nursing
11 resident in a family medicine or nursing residency at the Hilo
12 medical center.

13 The sums appropriated shall be expended by the University
14 of Hawaii John A. Burns school of medicine and the University of
15 Hawaii at Manoa school of nursing and dental hygiene for the
16 purposes of this Act.

17 SECTION 8. This Act shall take effect on July 1, 2050.

18



Report Title:

Hawaii Health Corps; Appropriation

Description:

Establishes the Hawaii health corps program to provide loan repayments on behalf of eligible physicians, physician assistants, and nurse practitioners in any county having a shortage of physicians, physician assistants, and nurse practitioners, with priority given to those serving in rural areas. Provides for loan repayments by the University of Hawaii John A. Burns school of medicine and the University of Hawaii at Manoa school of nursing and dental hygiene. Creates the Hawaii health corps revolving fund. Makes appropriations to support accreditation efforts and support and expand residency programs, particularly in family medicine. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

