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# A BILL FOR AN ACT

RELATING TO EMERGENCY ON-CALL PHYSICIANS.

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

1           SECTION 1. Fewer physicians have been providing on-call  
2 services in hospital emergency departments in recent years due  
3 to liability issues and inadequate reimbursements. As a result,  
4 emergency departments are experiencing increased overcrowding  
5 and longer waiting times. Nationally, for example,  
6 seventy-three per cent of emergency departments report  
7 inadequate on-call coverage by specialist physicians.  
8 Specialists who are particularly difficult to secure for on-call  
9 coverage include orthopedic surgeons, neurosurgeons, plastic  
10 surgeons, trauma surgeons, hand surgeons, obstetrician-  
11 gynecologists, neurologists, ophthalmologists and  
12 dermatologists.

13           The purpose of this Act is to create a financial incentive  
14 in the form of a tax credit for physicians who provide on-call  
15 services to emergency departments.

16           SECTION 2. Chapter 235, Hawaii Revised Statutes, is  
17 amended by adding a new section to part III to be appropriately  
18 designated and to read as follows:



1       "§235-    Emergency room physician tax credit.    (a)   There  
2 shall be allowed to each qualified taxpayer subject to the taxes  
3 imposed by this chapter, an emergency room physician tax credit  
4 that shall be applied to the qualified taxpayer's net income tax  
5 liability, if any, imposed by this chapter for the taxable year  
6 in which the credit is properly claimed.

7       (b)   The tax credit shall be in an amount equal to five per  
8 cent of the amount of medical malpractice insurance premium paid  
9 by the qualified taxpayer for the taxable year in which the  
10 credit is properly claimed.

11       (c)   As used in this section, "qualified taxpayer" means a  
12 physician licensed under chapter 453 who:

13       (1)   Provides medical care in a state-approved hospital  
14 emergency room on an on-call basis;

15       (2)   Has worked a minimum of five hundred and seventy-six  
16 on-call hours in the year for which the tax credit is  
17 claimed; and

18       (3)   Does not owe the State delinquent taxes, penalties, or  
19 interest.

20       (d)   If the tax credit claimed by the qualified taxpayer  
21 under this section exceeds the qualified taxpayer's income tax  
22 liability, the excess of credit over liability shall be refunded



1 to the qualified taxpayer; provided that the tax credit properly  
 2 claimed by a qualified taxpayer who has no income tax liability  
 3 shall be paid to the qualified taxpayer; and provided further  
 4 that no refunds or payments on account of the tax credit allowed  
 5 by this section shall be made for amounts less than \$1.

6 (e) The director of taxation shall prepare forms that may  
 7 be necessary to claim a credit under this section, may require  
 8 proof of the claim for the tax credit, and may adopt rules  
 9 pursuant to chapter 91 necessary to effectuate the purposes of  
 10 this section.

11 (f) Claims for the tax credit under this section,  
 12 including any amended claims, shall be filed on or before the  
 13 end of the twelfth month following the taxable year for which  
 14 the credit may be properly claimed."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act, upon its approval, shall apply to  
 17 taxable years beginning after December 31, 2010.

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**Report Title:**

Emergency Room Physicians; Tax Credit

**Description:**

Establishes a tax credit equal to five per cent of the amount of medical malpractice insurance premium paid by a physician who provides on-call services to emergency departments.

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

