

JAN 20 2017

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# A BILL FOR AN ACT

RELATING TO THE JOHN A. BURNS SCHOOL OF MEDICINE SPECIAL FUND.

**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 the shortage of primary health care providers  
4 in the State. These shortages threaten the health of Hawaii's  
5 residents, particularly those on the neighbor islands and in  
6 rural communities, and affect state health care costs. The  
7 University of Hawaii John A. Burns school of medicine's  
8 physician workforce assessment is a valuable tool which provides  
9 ongoing assessment and planning of the physician workforce in  
10 Hawaii. Based on the data provided through the workforce  
11 assessment, the John A. Burns school of medicine educates and  
12 trains physicians in primary care and other needed specialties.

13           The legislature further finds that the cost of education  
14 for health care professionals continues to increase. Health  
15 care professionals with high levels of student loan debt may  
16 therefore seek out higher income specialties to better afford to  
17 repay these loans. However, these higher incomes are usually in



1 specialty care in urban areas, rather than in medically  
2 underserved or rural areas of the State. The Hawaii state loan  
3 repayment program, which was started with private donations and  
4 matching federal funding, gives primary health care providers an  
5 incentive to provide care at designated health professional  
6 shortage areas in Hawaii in order to receive assistance with  
7 repayment of educational loan debt.

8 The legislature additionally finds that the John A. Burns  
9 school of medicine special fund is permitted to receive funding  
10 from a variety of sources. Expanding the purpose of the John A.  
11 Burns school of medicine special fund to encompass loan  
12 repayment for health care professionals would enable the special  
13 fund to accept moneys that may be applied toward the loan  
14 repayment program, in addition to the special fund's existing  
15 support of physician workforce assessment and planning.

16 Accordingly, the purpose of this Act is to enable the  
17 University of Hawaii John A. Burns school of medicine to  
18 continue to evaluate Hawaii's health care needs, graduate new  
19 physicians, and accept and disburse funds toward health care  
20 student loan repayment by:



- 1           (1)    Permitting moneys in the John A. Burns school of  
2                    medicine special fund to be used for loan repayment  
3                    for certain health care professionals and removing the  
4                    cap on expenditures from the special fund; and
- 5           (2)    Making permanent the physician workforce assessment  
6                    fee and related requirements for use of moneys in the  
7                    John A. Burns school of medicine special fund.

8           SECTION 2.   Section 304A-2171, Hawaii Revised Statutes, is  
9 amended by amending subsection (c) to read as follows:

10           "(c)   Moneys in the special fund shall be used to support  
11 the John A. Burns school of medicine's activities related to  
12 physician workforce assessment and planning within Hawaii[+] and  
13 loan repayment for certain healthcare professionals; provided  
14 that of the physician workforce assessment fees transferred and  
15 deposited into the special fund pursuant to section 453-8.8, no  
16 less than fifty per cent of the total amount of assessment fees  
17 deposited shall be used for purposes identified by the Hawaii  
18 medical education council to support physician workforce  
19 assessment and planning efforts, including the recruitment and  
20 retention of physicians, for rural and medically underserved  
21 areas of the State[; ~~provided further that expenditures from the~~



1 ~~special fund shall be limited to no more than \$245,000~~  
2 ~~annually~~]. This shall include but not be limited to maintaining  
3 accurate physician workforce assessment information and  
4 providing or updating personal and professional information,  
5 [that] which shall be maintained in a secure database. The John  
6 A. Burns school of medicine may disclose information specific to  
7 any physician only with the express written consent of that  
8 physician."

9 SECTION 3. Act 18, Special Session Laws of Hawaii 2009, as  
10 amended by Act 186, Session Laws of Hawaii 2012, is amended by  
11 amending section 9 to read as follows:

12 "SECTION 9. This Act shall take effect on July 1, 2009 [~~+~~  
13 ~~provided that sections 3 and 4 shall be repealed on June 30,~~  
14 ~~2017]~~."

15 SECTION 4. Act 186, Session Laws of Hawaii 2012, is  
16 amended by amending section 5 to read as follows:

17 "SECTION 5. This Act shall take effect on June 29, 2012 [~~+~~  
18 ~~provided that section 1 shall be repealed on June 30, 2017, and~~  
19 ~~section 304A-2171(c), Hawaii Revised Statutes, shall be~~  
20 ~~reenacted in the form in which it read on June 28, 2012]~~."



# S.B. NO. 128

1 SECTION 5. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect on June 29, 2017.

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INTRODUCED BY: John  
Karl Rhoad  
SENATOR



# S.B. NO. 728

**Report Title:**

John A. Burns School of Medicine Special Fund; Loan Repayment;  
Physician Workforce Assessment; Fee

**Description:**

Permits moneys in the John A. Burns school of medicine special fund to be used for loan repayment for certain health care professionals. Removes the cap on expenditures from the special fund. Removes the sunset date from the physician workforce assessment fee and related requirements for use of moneys in the John A. Burns school of medicine special fund.

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