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# A BILL FOR AN ACT

RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

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

1           SECTION 1. The legislature finds that many Hawaii  
2 residents are unable to obtain timely and appropriate health  
3 care due to shortages of primary health care providers in the  
4 State. These shortages not only threaten individual health but  
5 also cumulatively affect the State's health care costs. Areas  
6 of Hawaii, which have been designated by the federal government  
7 as medically underserved areas, have been most significantly  
8 affected by shortages of primary and behavioral health care  
9 providers such as physicians, nurse practitioners, physician  
10 assistants, and psychologists. Social workers, marriage and  
11 family therapists, and nurses are also urgently needed.

12           In many cases, the increasingly high cost of education for  
13 health care professionals binds graduates to a career path that  
14 provides sufficient income to repay often exorbitant student  
15 loans over \$500,000. These career paths most frequently lead to  
16 professional practice in highly specialized areas of care in  
17 urban areas rather than in general practice on the neighbor



1 islands or in rural areas, where the need is greatest. The  
2 legislature further finds that counties in the United States  
3 with robust primary health care systems have lower costs and  
4 improved patient outcomes. Recognizing this correlation, many  
5 states have made the policy decision to dedicate public funds to  
6 the development of a strong primary health care workforce.

7 The legislature further finds that the only loan repayment  
8 program currently available in the State is administered by the  
9 John A. Burns school of medicine at the University of Hawaii at  
10 Manoa. This program leverages private donations to access  
11 matching federal funds through the State Loan Repayment Program  
12 of the National Health Service Corps of the Department of Health  
13 and Human Services. Since September 1, 2012, the loan repayment  
14 program has supported forty-six recipients in exchange for work  
15 in underserved geographic and practice areas in Hawaii.  
16 Currently, health care professionals who have benefited from the  
17 loan repayment program serve the communities of Waianae, Hilo,  
18 and Wailuku; at health clinics in Kalihi-Palama Health Center,  
19 Queen Emma Clinic, and Waikiki Health Center; and in public  
20 institutional settings at the Federal Detention Center in  
21 Honolulu and the Halawa correctional facility.



1           The legislature recognizes the considerable public outcomes  
2 achieved from the general funds allocated in each year of the  
3 2017-2019 biennium, and fiscal year 2019-2020, to educate,  
4 train, and facilitate health care professionals to work in  
5 underserved areas. At this time, the loan repayment program  
6 supports twenty-four health care providers in Hawaii.

7           The purpose of this Act is to appropriate funds for fiscal  
8 year 2020-2021 to the department of health to fund the health  
9 care provider loan repayment program administered through the  
10 John A. Burns school of medicine to provide loan repayment for  
11 physicians, physician assistants, psychologists, nurse  
12 practitioners, social workers, marriage and family therapists,  
13 and nurses who agree to work in a federally-designated health  
14 professional shortage area or in a geographic area of Hawaii  
15 found to be underserved.

16           SECTION 2. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$                    or so  
18 much thereof as may be necessary for fiscal year 2020-2021 for  
19 the health care provider loan repayment program; provided that  
20 no funds shall be released unless matched on a dollar-for-dollar  
21 basis by funds from a private or another public source.



1           The sum appropriated shall be expended by the department of  
2 health in coordination with the John A. Burns school of medicine  
3 at the University of Hawaii at Manoa for the purposes of this  
4 Act.

5           SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

Loan Repayment; State Loan Repayment Program; Health Care Professionals; Matching Funds; Appropriation

**Description:**

Appropriates funds for fiscal year 2020-2021 for the health care provider loan repayment program administered through the John A. Burns School of Medicine of the University of Hawaii at Manoa; provided that the funds are matched on a dollar-to-dollar basis by a private or another public source. Effective 7/1/2050.  
(HD1)

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