

JAN 27 2021

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The legislature finds that there is a shortage
2 of primary care providers in the State, which will be
3 exacerbated by the projected retirements of current physicians,
4 advanced practice registered nurses, and pharmacists. Further,
5 although students are interested in pursuing careers in the
6 health care service industry in Hawaii, in-state educational
7 institutions are constrained by the lack of clinical education
8 sites in Hawaii and limited supply of qualified primary care
9 preceptors. One way to encourage the participation of
10 preceptors is to offer an income tax credit for professionals
11 who serve as preceptors.

12 The purpose of the existing healthcare preceptor income tax
13 credit is to incentivize volunteer preceptors to offer
14 professional instruction, training, and supervision to students
15 and residents seeking careers as healthcare providers. The
16 first-year implementation of the tax credit found that, although
17 a large number of providers trained eligible students in 2019,



1 only a small subset met the eligibility requirements due to the
2 primary care qualifying criteria.

3 The legislature further finds that training physicians,
4 advanced practice registered nurses, and pharmacists in primary
5 care requires training from specialties that support primary
6 care, in addition to training from primary care providers. The
7 legislature also finds that the definition of "volunteer-based
8 supervised clinical training rotation" may be clarified to
9 facilitate the preceptor credit assurance committee's
10 implementation of the tax credit.

11 Therefore, the purpose of this Act is to:

12 (1) Amend the definitions of "preceptor" and "volunteer-
13 based supervised clinical training rotation" to
14 improve accessibility for providers to receive income
15 tax credits for acting as preceptors; and

16 (2) Revise the membership of the preceptor credit
17 assurance committee to include the director of health.

18 SECTION 2. Section 235-110.25, Hawaii Revised Statutes, is
19 amended by amending subsection (g) to read as follows:

20 "(g) For the purposes of this section:



"Academic program" means an academic degree granting program or graduate medical education program that:

(1) Holds either its principal accreditation or a physical location in Hawaii; and

(2) Provides education to students, of whom more than fifty per cent are residents of Hawaii.

"Advanced practice registered nurse student" means an individual participating in a nationally accredited academic program that is for the education of advanced practice registered nurses and recognized by the state board of nursing pursuant to chapter 457.

"Eligible professional degree or training certificate" means a degree or certificate that fulfills a requirement to be a physician or osteopathic physician, pursuant to chapter 453, an advanced practice registered nurse, pursuant to chapter 457, or a pharmacist, pursuant to chapter 461.

"Eligible student" means an advanced practice registered nurse student, medical student, or pharmacy student who is enrolled in an academic program.

"Medical student" means an individual participating in a nationally accredited academic program leading to the medical



1 doctor or doctor of osteopathy degree. "Medical student"
2 includes graduates from nationally accredited academic programs
3 who have continued their training, in the role of resident or
4 fellow, to obtain the additional qualifications needed for
5 medical licensure, pursuant to chapter 453, or specialty
6 certification.

7 "Nationally accredited" means holding an institutional
8 accreditation by name to offer post-secondary medical primary
9 care education. Accreditation for medical students shall be
10 offered by the Liaison Committee on Medical Education or
11 American Osteopathic Association Commission on Osteopathic
12 College Accreditation. Accreditation for advanced practice
13 registered nurse students shall be offered by the Commission on
14 Collegiate Nursing Education.

15 "Pharmacy student" means an individual participating in an
16 academic program that is nationally accredited for the training
17 of individuals to become registered pharmacists pursuant to
18 chapter 461.

19 "Preceptor" means a physician or osteopathic physician,
20 licensed pursuant to chapter 453, an advanced practice
21 registered nurse, licensed pursuant to chapter 457, or a



1 pharmacist, licensed pursuant to chapter 461, who is a resident
2 of Hawaii [~~and who~~], maintains a professional [~~primary care~~]
3 practice in this State[-], and whose specialty supports the
4 development and training of an eligible student in primary care.

5 "Primary care" means the principal point of continuing care
6 for patients provided by a healthcare provider, including health
7 promotion, disease prevention, health maintenance, counseling,
8 patient education, diagnosis and treatment of acute and chronic
9 illnesses, and coordination of other specialist care that the
10 patient may need.

11 "Volunteer-based supervised clinical training rotation"
12 means [~~an uncompensated~~] a period of supervised clinical
13 training [of] to an eligible student that totals at least eighty
14 hours of supervisory time annually, in which a preceptor
15 provides personalized instruction, training, and supervision to
16 an eligible student to enable the eligible student to obtain an
17 eligible professional degree or training certificate[-];
18 provided that, while a preceptor may be compensated for
19 providing standard clinical services, the preceptor shall be:



- 1 (1) Uncompensated for the clinical training above or
2 beyond clinical salary or reimbursements for clinical
3 services; or
4 (2) Uncompensated from state general or tuition funds for
5 the clinical training services."

6 SECTION 3. Section 321-2.7, Hawaii Revised Statutes, is
7 amended by amending subsections (a) and (b) to read as follows:

8 "(a) There is established the preceptor credit assurance
9 committee within the department of health. The committee shall
10 develop and implement a plan for certifying healthcare preceptor
11 tax credits under section 235-110.25, including:

- 12 (1) Developing a process ensuring that requests for credit
13 certification are reviewed and verifications are
14 processed no later than thirty days following the
15 close of each calendar year; and

- 16 (2) Developing the documentation process for the committee
17 to certify a preceptor for the tax credit; provided
18 that the documentation to be collected shall include:

- 19 (A) The preceptor's name, address, place of practice,
20 and Hawaii provider license number;



(B) Dates and hours of volunteer-based supervised clinical training rotation per eligible student;

(C) Attestation that the preceptor is uncompensated for the volunteer-based supervised clinical training rotation; ~~and~~

(D) Itemized specialties that support the development and training of the eligible student in primary care; and

~~[(D)]~~ (E) Other information deemed necessary by the committee.

(b) The committee shall be composed of ~~[representatives]~~:

(1) The director of health, or the director's designee;
and

(2) Representatives of:

~~[(1)]~~ (A) The Hawaii/Pacific basin area health education center;

~~[(2)]~~ (B) The center for nursing; and

~~[(3)]~~ (C) Academic programs with eligible students."

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



1 SECTION 5. This Act shall take effect upon its approval.

2

INTRODUCED BY: Rosely H Baker



S.B. NO. 976

Report Title:

Preceptors; Healthcare Preceptor Tax Credit; Preceptor Credit Assurance Committee

Description:

Amends the definition of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for providers to receive income tax credits for acting as preceptors. Includes the Director of Health on the Preceptor Credit Assurance Committee.

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