
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 many Hawaii
2 residents are unable to obtain timely and appropriate health
3 care and behavioral health care due to shortages of primary,
4 specialty, and behavioral care providers. Vulnerable residents,
5 including the elderly, and rural residents experience even
6 greater barriers to provider access. These barriers include
7 issues relating to fixed or limited financial resources, lack of
8 physical mobility or other disabilities, cognitive impairment,
9 transportation, and a lack of readily accessible physicians and
10 other health care providers.

11 Telehealth is a viable solution to maximize existing local
12 resources and increase patient convenience and compliance.
13 However, the best available data indicates that the use of
14 telehealth is limited in the State. No more than fifteen per
15 cent of practicing providers in the State report a telehealth
16 experience, even though the State has among the most progressive
17 telehealth laws in the nation.



1 Preliminary findings from the 2017 State Telehealth Summit
2 confirm that provider comfort and patient expectations are the
3 most significant barriers to greater telehealth adoption.
4 Department of health research, including direct observation of
5 strong telehealth programs in other jurisdictions, reveals that
6 staff support is needed to ensure that both the patient and
7 technology are situated correctly for a telehealth encounter.
8 Ideally, staff support should be situated at both the provider's
9 and the patient's locations. Support staff for the patient,
10 however, is critical when the patient is in a non-traditional
11 health care setting, including a home, community center, or
12 school.

13 The legislature further finds that establishing a
14 telehealth pilot project will help provide the State's health
15 care providers and patients the benefits of telehealth, increase
16 provider adoption of telehealth, support health care workforce
17 development related to telehealth, and evaluate the clinical and
18 administrative efficacy of various telehealth delivery models.
19 The legislature notes that establishing a rural health care
20 pilot project to pay an availability fee to eligible providers
21 servicing rural areas will help to encourage providers to



1 prioritize these rural areas. In turn, an increase in provider
2 prioritization of these rural areas will increase rural
3 residents' access to previously less-than-accessible medical
4 specialties.

5 Accordingly, the purpose of this Act is to establish and
6 fund telehealth and rural health care pilot projects.

7 SECTION 2. (a) The department of health shall implement a
8 telehealth pilot project.

9 (b) The telehealth pilot project shall:

- 10 (1) Assist residents at two distinct project sites, both
11 of which shall have a medically underserved area
12 designation by the United States Department of Health
13 and Human Services; provided that one site shall be
14 located in a county with a population of less than
15 five hundred thousand and the other site shall be
16 located in a county with a population of more than
17 five hundred thousand;
- 18 (2) Utilize telehealth as the primary means to deliver
19 health care; and
- 20 (3) Include at least one federally-qualified health center
21 or rural health clinic in each project site.



1 (c) Within six months of the exhaustion of all telehealth
2 pilot project funds, the department of health shall make
3 available to the public an evaluation report on telehealth pilot
4 project outcomes, including the quality of care, patient
5 satisfaction, training and workforce development issues, and the
6 financial sustainability of telehealth activities.

7 (d) Chapters 103D and 103F, Hawaii Revised Statutes, shall
8 not apply to procurements made pursuant to this Act for a period
9 of twelve months following the effective date of this Act;
10 provided that the department of health shall only obtain goods
11 and services for the telehealth pilot project in a manner that
12 is cost-effective and provides the most benefit to the
13 telehealth pilot program on contractual terms that are most
14 advantageous to the State; and provided further that the
15 execution period of all procurements shall not exceed the term
16 of the telehealth pilot project.

17 SECTION 3. (a) The department of health shall implement
18 and administer a rural health care pilot project.

19 (b) The rural health care pilot project shall:

20 (1) Assist residents in three distinct rural areas, one
21 each on the islands of Maui, Molokai, and Lanai;



1 provided that the area selected on the island of Maui
2 shall be in the Hana district;

3 (2) Pay a \$250 availability fee to each contracted
4 licensed physician or nurse practitioner providing
5 health care services in one or more of the areas
6 selected pursuant to subsection (1); provided that
7 each physician or nurse practitioner shall practice in
8 a specialty that is difficult for rural residents to
9 access, including but not limited to cardiology,
10 gastroenterology, endocrinology, dermatology, and
11 nephrology; provided further that the availability fee
12 shall be separate from, and in addition to, any
13 charges billed by the physician or nurse practitioner;
14 and

15 (3) Reimburse each contracted physician or nurse
16 practitioner for any costs, including airfare, lodging
17 costs, and a per diem, that the physician or nurse
18 practitioner deems necessary to provide in-person
19 health care services to patients in the areas selected
20 pursuant to subsection (1).



1 (c) The department of health shall contract with eligible
2 physicians and hospitals, including but not limited to those
3 within the networks of Hawaii Pacific Health, The Queen's Health
4 Systems, and Kaiser Permanente, to carry out the rural health
5 care pilot project.

6 SECTION 4. Within six months of the exhaustion of all
7 rural health care pilot project funds, the department of health
8 shall submit to the legislature an evaluation report on the
9 rural health care pilot project's outcomes, including the
10 quality of care, patient satisfaction, training, and workforce
11 development issues, the financial sustainability of the program,
12 and any proposed legislation.

13 SECTION 5. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$ or so
15 much thereof as may be necessary for fiscal year 2022-2023 for
16 the telehealth pilot project established pursuant to section 2
17 of this Act.

18 The sum appropriated shall be expended by the department of
19 health for the purposes of section 2 of this Act.

20 SECTION 6. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so



1 much thereof as may be necessary for fiscal year 2022-2023 for
2 the rural health care pilot project established pursuant to
3 section 3 of this Act.

4 The sum appropriated shall be expended by the department of
5 health for the purposes of section 3 of this Act.

6 SECTION 7. This Act shall take effect on July 1, 2050.



Report Title:

DOH; Telehealth; Rural Health Care; Pilot Projects;
Appropriation

Description:

Requires the Department of Health to implement a telehealth pilot project and publish an evaluation report on the telehealth pilot project outcomes. Exempts the telehealth pilot project from the Hawaii Public Procurement Code for a period of 12 months. Clarifies that the period of performance of all procurements made during this temporary exemption shall not exceed the term of the telehealth pilot project. Requires the department to implement and administer a rural health care pilot project to provide physicians and nurse practitioners serving selected rural areas with an availability fee and reimbursements for certain expenses. Requires the department to submit to the Legislature an evaluation report on the rural health care pilot project outcomes. Appropriates moneys to support the pilot projects. Effective 7/1/2050. (SD2)

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