

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES,  
& HOMELESSNESS  
ON  
HOUSE BILL NO. 1975

**February 3, 2022**  
**9:00 a.m.**  
**Room 329 and Videoconference**

RELATING TO HEALTHCARE PRECEPTORS

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1975 amends Section 235-110.25, HRS, to change the definitions of “preceptor” and “volunteer-based supervised clinical training rotation” to improve accessibility for providers to receive income tax credits for acting as preceptors; and amends Section 321-2.7, HRS, to include the Director of the Department of Health or the director’s designee on the Preceptor Credit Assurance Committee.

B&F notes that the federal American Rescue Plan (ARP) Act restricts states from using ARP Coronavirus State Fiscal Recovery Funds (CSFRF) to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the CSFRF have been spent. If a state cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than the CSFRF, such as:

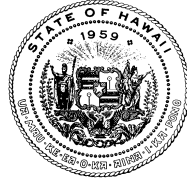
- By enacting policies to raise other sources of revenue;

- By cutting spending; or
- Through higher revenue due to economic growth.

If the CSFRF provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the U.S. Treasury.

The U.S. Department of Treasury has issued rules governing how this restriction is to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with this ARP restriction.

Thank you for your consideration of our comments.



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of HB1975  
RELATING TO HEALTHCARE PRECEPTORS.**

REP. RYAN I. YAMANE, CHAIR  
HOUSE COMMITTEE ON HEALTH

Hearing Date: February 3, 2022

Room Number: Videoconference

- 1 **Fiscal Implications:** N/A.
- 2 **Department Testimony:** The Department of Health (DOH) currently cooperates with partners
- 3 such as the University of Hawaii John A. Burns School of Medicine and Hawaii State Center for
- 4 Nursing on the healthcare preceptor tax credit. DOH supports the amendment to codify the
- 5 Director of Health or the director's designee as a formal member of the preceptor credit
- 6 assurance committee, and other amendments.
- 7 Thank you for the opportunity to testify.

Thursday, February 3, 2022 at 9:00 AM  
Via Video Conference

**House Committee on Health, Human Services & Homelessness**

To: Representative Ryan Yamane, Chair  
Representative Adrian Tam, Vice Chair

From: Michael Robinson  
Vice President, Government Relations & Community Affairs

**Re: Testimony in Support of HB 1975  
Relating to Healthcare Preceptors**

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My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in SUPPORT of HB 1975 which amends the definition of “preceptor” and “volunteer-based supervised clinical training rotation” to improve accessibility for providers to participate in the preceptor tax credit program.

Preceptors are Advanced Practice Registered Nurses (APRN), physicians (MD), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach and train students. The lack of sufficient numbers of healthcare professionals to act as preceptors impacts many of the University of Hawai'i's programs in nursing, medicine and pharmacy in terms of the programs' ability to train students. Passed in 2018, the preceptor tax credit has helped to increase the pool of health profession training programs and alleviate the crisis of the preceptor shortage. The preceptor tax credit offers state income tax credits for APRN, MD, DO, and PH providers who volunteer as preceptors.

While the tax credit provides an incentive to the preceptors, the current statutory definitions have limited the number of preceptors who are eligible for the credit. Physicians who maintain a primary care practice in the state provide a valuable service, however, physicians in other fields of practice also are vital to providing training in primary care. Expanding the definition of “preceptor” to include other fields of practice would expand the pool of available preceptors to train new healthcare providers. Additionally, clarifying the definition of the form of compensation allowable enables more healthcare providers to act as preceptors.

Thank you for the opportunity to testify.



**Written Testimony Presented Before the  
House Committee on Health, Human Services, & Homelessness  
Thursday, February 3, 2022 at 9:00 AM**

**by  
Laura Reichhardt, APRN, AGPCNP-BC  
Hawai'i State Center for Nursing  
University of Hawai'i at Mānoa**

**TESTIMONY IN STRONG SUPPORT of HB 1975**

Chair Yamane, Vice Chair Tam, and members of the House Committee on Health, Human Services, & Homelessness, thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, the Hawai'i State Center for Nursing does not ask for new or expanded appropriations to the tax credit program.

This measure, HB 1975, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, to clarify the definition of "volunteer-based supervised clinical training rotation" related to both time spent teaching students and what constitutes compensation for precepting, and to amend the Preceptor Credit Assurance Committee to improve administration and roles.

In 2018, the Hawai'i Legislature, in their great wisdom, enacted Act 43 which authorized and funded \$1.5 million in tax credits, annually for five years, for advanced practice registered nurse (APRN), physician, and pharmacist professionals who train in-state students in their respective practice areas. This program was intended to help alleviate the bottleneck within health education programs related to a shortage of clinical education sites and preceptors. Though the tax credits were secured for five years, fewer advanced practiced registered nurses, physicians and pharmacists are eligible for the tax credit than the number of preceptors that are actually teaching our local students.

This program allocated 371 tax credits (\$371K) to 181 preceptors in 2019 and 368 tax credits (\$368K) to 185 preceptors in 2020 despite nearly double the amount of rotations being recorded into the tax credit record system. This program further secured 559 tax credits (\$559K) for 253 preceptors in 2021. In 2021, however, the number of preceptors who were eligible for tax credits and met all criteria to earn tax credits were approximately 2/3 of the total APRNs, physicians, and pharmacists on record for providing voluntary clinical teaching or demonstrating interest in teaching. After many conversations with providers and the academic program members of the Preceptor Credit Assurance Committee, it is clear that there is a much larger population of preceptors and clinical rotations that support the development of a primary care provider but have not been eligible for the preceptor tax credit. The main barriers identified were: 1) uncertainty about what "uncompensated" for precepting means; and 2) specializing in a supportive role to primary care, not primary care itself.

The Hawai'i State Center for Nursing respectfully asks the Committee on Health, Human Services, & Homelessness to pass HB 1975 through your committee. The Center thanks your committee for its commitment to the people of Hawai'i and ensuring access to high-quality health care by supporting local healthcare education and training initiatives.

*The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development; promotes a diverse workforce; and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.*

**HB-1975**

Submitted on: 2/1/2022 9:25:02 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Sharon Offley	Hua Moon Women's Health LLC	Support	No

Comments:

I am a certified nurse midwife (CNM) and advanced practice nurse (APRN) on Kauai. I have a private practice, Hua Moon Women's Health, with Colleen Bass.

We provide care in our community to women across the reproductive lifespan and beyond. We provide prenatal care, gynecologic care, care to newborns, breastfeeding support and primary care.

We choose to serve as preceptors for many reasons. There is a nationwide shortage of preceptor sites for CNMs and we feel it's important to mentor the next generation of APRNs. We want to give back to our profession and community. There is a critical shortage of primary care providers on Kauai (and nationally in many areas) and all projections indicate this will worsen significantly in coming years. It is well recognized that educating more APRNs can help alleviate this crises in a way that offers excellent patient outcomes. It is also good for us, as seasoned practitioners, to interact with students who are currently immersed in academia. It's one of many ways to stay current in our practice.

That said: precepting literally adds hours to our work day. As anyone who has taught a novice knows: it takes MUCH longer to demonstrate, teach, assist, provide thoughtful feedback, evaluate etc than to simply work alone. It is for this reason that many feel they do not have the capacity to add the preceptor role to their current functions.

This legislation is win win win. It would help students by facilitating vital clinical placement opportunities, and incentivize precepting by offering a tax reward for the extensive time committment. And most importantly: Community benefits from increased healthcare providers to feel a well documented shortage. Hua Moon supports any legislation that helps broaden access to tax credits for health care preceptors. Mahalo.



**Testimony to the House Committee on Health, Human Services, and Homelessness  
Thursday, February 3, 2022; 9:00 a.m.  
State Capitol, Conference Room 329  
Via Videoconference**

**RE: HOUSE BILL NO. 1975, RELATING TO HEALTHCARE PRECEPTORS.**

Chair Yamane, Vice Chair Tam, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1975, RELATING TO HEALTHCARE PRECEPTORS

By way of background, the HPCA represents Hawaii's FQHCs. FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would clarify laws that incentivise volunteer preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as healthcare providers. Among other things, this bill would clarify the definition of "preceptor" for income tax credit eligibility to specify that the preceptor maintain a professional practice in the State whose specialty supports the development and training of an eligible student in primary care.

The State of Hawaii is experiencing a severe shortage of health care professionals in the workforce, especially in rural areas. Recent studies note that the current shortage of physicians is at 20% of the total full-time equivalent positions throughout the State. The shortage is especially severe in the fields of primary care, infectious diseases, colorectal surgery, pathology, general surgery, pulmonology, neurology, neurosurgery, orthopedic surgery, family medicine, cardiothoracic surgery, rheumatology, cardiology, hematology/oncology, and pediatric subspecialties of endocrinology, cardiology, neurology, hematology/oncology, and gastroenterology.

This bill would create a financial incentive to enhance the quality and stock of Hawaii's future healthcare workforce. Accordingly we commend this effort and wish to participate in any and all discussions concerning workforce development.

**Testimony on House Bill No. 1975**  
**Thursday, February 3, 2022; 9:00 a.m.**  
**Page 2**

**We urge your favorable consideration of this bill.**

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or [eabe@hawaiiipca.net](mailto:eabe@hawaiiipca.net).





## THE QUEEN'S HEALTH SYSTEMS

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To: The Honorable Ryan I. Yamane, Chair  
The Honorable Adrian K. Tam, Vice Chair  
Members, House Committee on Health, Human Services, & Homelessness

From: Jacce Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: February 3, 2022

Re: Support for HB 1975: Relating to Healthcare Preceptors

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The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 1,600 affiliated physicians and providers statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's supports HB 1975, which 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 and includes the Director of Health on the Preceptor Credit Assurance Committee.

Queen's supported the creation of the preceptor tax credit in 2018 as one of several methods to address the shortage of primary, community-based and acute care providers in the state of Hawai'i. One successful avenue to incentivize providers to participate as preceptors is a tax credit for practitioners willing to volunteer their time and provide their expertise as mentors. Queen's alone has approximately 111 residents and fellows in our residency program supported by preceptors. We support the amended definition of "preceptor" to include specialists which will further expand the diversity of preceptors in our residency and fellowship programs.

Thank you for the opportunity to testify in support of HB 1975.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Health, Human Services, & Homelessness  
Thursday, February 3, 2022 at 9:00 a.m.

by

Jerris Hedges, MD, Dean and  
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,  
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director  
John A. Burns School of Medicine  
University of Hawai'i at Mānoa and  
Michael Bruno, PhD  
Provost  
University of Hawai'i at Mānoa

HB 1975 – RELATING TO HEALTHCARE PRECEPTORS

Chair Yamane, Vice Chair Tam, and members of the committee:

This testimony presented is on behalf of UH System, including John A. Burns School of Medicine (JABSOM), UH Mānoa Nancy Atmospera-Walch School of Nursing (NAWSON), and the UH Hilo Daniel K. Inouye College of Pharmacy and School of Nursing.

Thank you for the opportunity to testify in **strong support** of HB 1975 which amends the successful Preceptor Tax Credit program which rewards providers who volunteer to provide clinical training for Hawaii's future providers. HB 1975 clarifies the definition of "preceptor" and "volunteer based supervised clinical training rotation" to improve accessibility for volunteer providers to receive income tax credits for serving as preceptors.

In 2017, NAWSON identified a preceptor shortage. Preceptors are volunteer Advanced Practice Registered Nurses (APRN), physicians (MD), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach our students. In speaking to fellow health professional programs, it became evident that the preceptor shortage was not ours alone, but a shared crisis among many of the UH programs in nursing, medicine, and pharmacy. In 2018, the Legislature passed Act 43 with the goal to help our state health profession training programs alleviate this crisis by offering state income tax credits for APRN, MD, DO, and PH providers who volunteer as preceptors.

Although the preceptor tax credit program has been successful in attracting more healthcare professionals, questions remain as to program's language regarding compensation and specialty practice language. This has resulted in fewer providers accessing this tax credit, even though the allocation and credit cap was secured in 2018.

Preceptors, or employed clinical providers who teach students during their workday, with no substantive change to their workload, and no additional compensation for teaching, are concerned that their existing clinical salary equates compensation under the preceptor tax credit provision. Some preceptors also use their own clinical practice earnings to fund a

part-time appointment with UH JABSOM and have been excluded from the preceptor tax credit.

Similarly, because over 90% of APRNs are employed, this has affected existing preceptors as well as identifying potential new preceptors. Additionally, as all of our programs lead to primary care certifications and prepare future primary care providers, the educational programs require students to complete specialty rotations to deepen their ability to address common primary care conditions. These specialties include but are not limited to cardiology, endocrinology, pulmonology, and mental and behavioral health. These specialty rotations help the future provider learn when referral to specialists is necessary for a patient and how to refer.

JABSOM as well as other healthcare professions rely on volunteer preceptors who provide training and supervision to our students and residents. These preceptors play a vital role in educating the next generation of physicians, APRNs, pharmacists and other healthcare professions. The amendments to the definitions of “preceptor” and “volunteer-based supervised clinical training program” contained in HB 1975 will expand the field of preceptors so that we may grow our training programs for primary care providers.

The education training path for a pharmacist differs from nursing and medicine as well as the way clinical pharmacists’ practice. The pharmacy student training curriculum stresses foundation building in the first three years of a four-year curriculum. The final fourth year includes both advanced primary care and specialty care pharmacy rotations. This training is based upon the profession’s pharmacist role that combine both primary care (general medication management) and specialty disease management regardless of whether the practice setting is in the hospital or acute care setting, outpatient clinic or retail/specialty community pharmacy.

A pharmacist may receive a referral for a specific area of care (diabetes, blood pressure, asthma) however, in order to address the patient’s specific need, review of the entire medication profile from a generalist standpoint must occur first. For example, a diabetes certified pharmacist receives a referral to initiate and maintain a diabetes medication(s) and monitor the disease. To manage the diabetes itself, the pharmacist must address the entire medication profile and all of the patient’s disease states, especially chronic diseases that include major organ systems such as heart, kidney, liver, and other major areas. Ongoing management of all medications and diseases is performed on a routine basis with the patient being part of the pharmacist’s panel for ongoing management. This pharmacist becomes the ‘primary’ health care professional in regard to medication related diseases.

Thank you for your longstanding support of the state healthcare workforce development and healthcare education in Hawai’i.

**HB-1975**

Submitted on: 2/1/2022 5:49:48 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Kathleen Yokouchi	Individual	Support	No

Comments:

In support.

DAVID Y. IGE  
GOVERNOR

JOSH GREEN M.D.  
LT. GOVERNOR



ISAAC W. CHOY  
DIRECTOR OF TAXATION

STATE OF HAWAII  
**DEPARTMENT OF TAXATION**  
P.O. BOX 259  
HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

To: The Honorable Ryan I. Yamane, Chair;  
The Honorable Adrian K. Tam, Vice Chair;  
and Members of the House Committee on Health, Human Services, and  
Homelessness

From: Isaac W. Choy, Director  
Department of Taxation

Date: February 3, 2022  
Time: 9:00 A.M.  
Place: Via Video Conference, State Capitol

**Re: H.B. 1975, Relating to Healthcare Preceptors**

The Department of Taxation (Department) appreciates the intent of H.B. 1975 and offers the following comments.

H.B. 1975 amends section 235-110.25, Hawaii Revised Statutes (HRS), specifically the definition of “preceptor” to remove the “primary care” requirement from the professional practice designation of eligible preceptors. The purpose of this amendment is to improve accessibility for providers to receive the tax credit, thus incentivizing volunteers to participate in the instruction, training, and supervision of student seeking careers in healthcare.

Additionally, this measure revises membership of the preceptor credit assurance committee to include the Director of the Department of Health or the Director’s designee. The measure takes effect on July 1, 2022, with changes to the tax credit applying to taxable years beginning after December 31, 2021.

The Department is able to administer this measure as currently as the proposed amendments will not have a significant administrative impact.

Thank you for the opportunity to provide testimony on this measure.



**HAWAII MEDICAL ASSOCIATION**

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814

Phone (808) 536-7702 Fax (808) 528-2376

www.hawaiimedicalassociation.org

**HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, HOMELESSNESS**

Rep. Ryan Yamane, Chair

Rep. Adrian K. Tam, Vice Chair

Date: February 3, 2022

From: Hawaii Medical Association

Elizabeth Ann Ignacio MD, Chair, HMA Legislative Committee

**Re: HB 1975 Preceptors; Healthcare Preceptor Tax Credit; Preceptor Credit Assurance Committee**

**Position: Support**

Clinical preceptors are vital to the maintenance of solid education and experience for future physicians of Hawaii, as well as the recruitment to our state when training is complete. HMA strongly supports all efforts to address physician provider education and our critical Hawaii physician shortage.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

**HMA OFFICERS**

President – Angela Pratt, MD President-Elect – Elizabeth Ann Ignacio, MD  
Immediate Past President – Michael Champion, MD Treasurer – Nadine Tenn Salle, MD  
Secretary – Thomas Kosasa, MD Executive Director – Marc Alexander

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

**SUBJECT:** INCOME, Healthcare Preceptor Tax Credit Clarifications

**BILL NUMBER:** HB 1975, SB 3208

**INTRODUCED BY:** HB by JOHANSON, KITAGAWA, SB by BAKER, INOUYE, KEITH-AGARAN, Acasio, Kidani, Nishihara, Riviere, San Buenaventura

**EXECUTIVE SUMMARY:** 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.

**SYNOPSIS:** Amends section 235-110.25, HRS, to redefine a "preceptor" as a practitioner "who is a resident of Hawaii, maintains a professional practice in this State, and whose specialty supports the development and training of an eligible student in primary care.

Changes the definition of "Volunteer-based supervised clinical training rotation" to be a period of supervised clinical training to an eligible student that totals at least eighty hours of supervisory time annually, in which a preceptor provides personalized instruction, training, and supervision to an eligible student to enable the eligible student to obtain an eligible professional degree or training certificate; provided that, while a preceptor may be compensated for providing standard clinical services, the preceptor shall be: (1) Uncompensated for the clinical training above or beyond clinical salary or reimbursements for clinical services; or (2) Uncompensated for the provision of clinical training services from tuition funds or from state general funds.

Amends section 321-2.7, HRS, which governs the preceptor credit assurance committee, to add the requirement that credit applications include itemized specialties that support the development and training of the eligible student in primary care.

Adds the director of health or a designee thereof as a member of the committee.

Makes other technical and conforming amendments.

**EFFECTIVE DATE:** July 1, 2022; Section 2 applicable to taxable years after December 31, 2021.

**STAFF COMMENTS:** The credit for healthcare preceptors was added by Act 43, SLH 2018. This act requires the department of health to evaluate the efficacy of this credit and report to the 2024 legislature.

The bill appears to make technical changes in the law and does not appear to have significant revenue impact.

Digested: 2/1/2022



Government Relations

Testimony of  
Jonathan Ching  
Government Relations Director

Before:  
House Committee on Health, Human Services, and Homelessness  
The Honorable Ryan I. Yamane, Chair  
The Honorable Adrian K. Tam, Vice Chair

February 3, 2022  
9:00 a.m.  
Via Videoconference

**Re: HB 1975, Relating to Healthcare Preceptors**

Chair Yamane, Vice Chair Tam, and committee members, thank you for this opportunity to provide testimony on HB 1975, which 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.

**Kaiser Permanente Hawai'i SUPPORTS HB 1975.**

Kaiser Permanente Hawai'i is Hawai'i's largest integrated health system that provides care and coverage for approximately 265,000 members. Each day, more than 4,400 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and providers come to work at Kaiser Permanente Hawai'i to care for our members at our 20 medical facilities, including Moanalua Medical Center, providing high-quality care for our members and delivering on our commitment to improve the health of the 1.4 million people living in the communities we serve.

Since the enactment of Act 43, Session Laws of Hawai'i 2018, fewer advanced practiced registered nurses, physicians and pharmacists are eligible for the tax credit than the number that are actually teaching our local students. Kaiser Permanente Hawai'i supports HB 1975 because it would expand the definition of "preceptor" to acknowledge the many medical specialists that support the training of primary care students and who would be eligible for the credit but for the narrow definition of the term. Training for primary care requires precepting experiences with both primary care providers and specialist providers. In 2021, our preceptors supported over 367 individual rotations in internal medicine, family medicine, pediatrics, obstetrics and gynecology, geriatrics, continuing care, and sports medicine.

Mahalo for the opportunity to testify on this important measure.



## Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Ryan Yamane, Chair of the  
House Committee on Health, Human Services, &  
Homelessness

From: Hawaii Association of Professional Nurses (HAPN)  
Subject: HB1975 – Relating to Healthcare Preceptors

Hearing: February 3, 2022, 9a.m.

Aloha Representative Yamane, Chair; Representative Tam, Vice Chair; and Committee Members,

Thank you for the opportunity to submit testimony regarding HB1975. HAPN is in **strong support** of this measure. This measure will broaden the array of specialists who contribute to the education and development of Hawaii's future healthcare providers. This measure also clarifies the definition of "volunteer-based supervised clinical training rotation". This is related to both time spent teaching students and what constitutes compensation for precepting, and amends the Preceptor Credit Assurance Committee to improve administration and roles.

This measure is supported by a wide coalition of community, academic entities, and students and HAPN joins in the support for this bill. Our interest is to ensure that all APRNs who participate in the education and training of APRN students experience the same benefits as a result of precepting students and mentoring them while they continue their education.

APRNs have played an important role in the healthcare of our communities and have a vast base of knowledge and experience that we can share with tomorrow's new professionals. While precepting students is important, it is also something that takes time. Sharing with these preceptors these benefits could ensure that more preceptors are available to help train our students. This will in turn improve access to care for all patients as we have competent providers in our communities providing much needed care.

Thank you for the opportunity to share the perspective of HAPN with your committee. Thank you for your enduring support of the nursing profession in the Aloha State.

Respectfully,  
Dr. Jeremy Creekmore, APRN  
HAPN President

Dr. Bradley Kuo, APRN  
HAPN Legislative Committee, Chair  
HAPN Past President

**HB-1975**

Submitted on: 2/2/2022 9:51:47 AM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Patricia Bilyk	Individual	Support	No

Comments:

TO: Representative Yamane, Chair, Representative Tam and Members of the Committee on Health, Human Services and Homelessness

FROM: Patricia L Bilyk, RN, MPH, MSN, IBCLC (Retired)

RE: HB 1975 Relating to Healthcare Preceptors

Good Morning! I am Patricia Bilyk an Advanced Practice Nurse who has practiced nursing in the State of Hawaii for 50 years. During that time I had been a preceptor and mentor for hundreds of nurses, primarily on a volunteer basis as it was not part of my job description both in the hospital and in the public clinical areas.

I feel it is important to recognize the value of having experienced Advanced Practice Nurses train up and coming nurses in the clinical setting-hospital and public health. To encourage this especially when it is done on a volunteer basis by having a tax credit for free time given, would be an incentive for practicing nurses to continue to do this important task!

We need more competent nurses in our State so I encourage you to pass this bill out of committee for the good of these compassionate nurse preceptors!

**HB-1975**

Submitted on: 2/2/2022 10:12:24 AM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Katherine Finn Davis	Individual	Support	No

Comments:

I support this bill.

**HB-1975**

Submitted on: 2/2/2022 12:05:41 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Julia Lindbergh	Individual	Support	No

Comments:

I support HB 1975 the Preceptor Tax Credit. We need more providers especially on the BIg Island and this bill will help support this effort. Thank you. Julia Lindbergh, RN

**HB-1975**

Submitted on: 2/2/2022 2:51:37 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Rick Ramirez	Individual	Support	No

Comments:

Health care preceptors are in dire need in the state of Hawaii. Our healthcasre studnets are in greast need of preceptors in order to facilitate increased knowlledge expansion towards caring for the community as a whole. The preceptor tax credit needs to be extended to all health care providers, of all psecilaties in the state in order to ensure success of healthcare students towards providing excellent care in Hawaii. I sully support the measures proposed foir this bill and the House should do the same.

**HB-1975**

Submitted on: 2/2/2022 5:09:08 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Samuel Fullmer	Individual	Support	No

Comments:

Aloha representatives!

My name is Sam Fullmer and I'm currently a doctoral nursing student at the University of Hawaii at Manoa in the family nurse practitioner program. I want to share my support of HB1975. This bill directly impacts my learning and education. I picked Hawaii for my nurse practitioner training because it is my home and also has exceptional healthcare professionals in various fields. This bill's small cost, a tax credit, will have a large impact on nursing students, like me, who gain valuable hands-on experience with various healthcare providers as preceptors. Please support this bill as it allows Hawaii to be a competitive and comprehensive training for the rising healthcare professionals to serve our communities.

Thank you for your time and kokua with this bill.  
Sam Fullmer, RN

**HB-1975**

Submitted on: 2/2/2022 9:19:27 PM

Testimony for HHH on 2/3/2022 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Colleen Bass	Individual	Support	No

Comments:

I own a private practice on Kaua'i, and serve my community and a Certified Nurse Midwife and Women's Nurse Practitioner. Sharon Offley and myself own a practice, Hua Moon Women's Health, where we provide individualize, compassionate care to women across the life span. Our scope of practice includes prenatal care, gynecologic care, newborn care in the first few weeks of life, lactation service, and primary care. We serve as preceptors to the community college and to individuals attending distance programs. Our drive to precept students is to support a nationwide shortage of preceptor sites for CNMs and NPs. During COVID this was extremely palpable, as students dropped out or put their preceptorships on hold. It is our duty as professional health care providers to mentor and support the next generation. Projections re: the critical shortage of nurses and primary care providers on Kaua'i will worsen significantly in the future.

Our practice also gains from preceptorship, as we work with students immersed in the most current standards of practice. As much as we enjoy and recognize the importance we add hours to our work day demonstrating, assisting, teaching and providing vital feedback for safe patient care. This legislation would help students fulfill clinical placements vital to their education and support, incentivize and compensate those seasoned professionals mentoring the next generation. Not to mention those of us still paying back student debt without support. Working in a rural area with decreased resources leaves those working to support the community burnt out and undercompensated.

Colleen Bass, CNM, WHNP (APRN-Rx) supports HB 1975 that offers tax credits to those of us who love and desire continuing to precept those who will fill our shoes.

**HB-1975**

Submitted on: 2/3/2022 7:53:45 AM

Testimony for HHH on 2/3/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Dana Monday	Individual	Support	No

Comments:

Representative Ryan Yamane, Chair

Representative Adrian Tam, Vice Chair

Health, Human Services and Homelessness Committee

Wednesday, February 2, 2022

Dana Monday DNP APRN-Rx PMHNP-BC

PMHNP Track Coordinator

Chaminade University of Honolulu

**TESTIMONY IN SUPPORT of H.B. 1975**

Thank you for the opportunity to testify in **support of this measure**. This measure can help to provide critical mental health care for the residents of Hawai'i.

As a psychiatric provider and track coordinator for the Psychiatric Mental Health Nurse Practitioner program at Chaminade University, I strongly support H.B. 1975. In the original legislation that H.B. 1975 seeks to amend (Act 43), lawmakers provide an innovative and desperately needed incentive for current clinicians to provide learning opportunities for the next



generation. This program, although successful, is incomplete. By only allowing a narrow definition of “primary care providers” the original legislation excluded vitally important psychiatric providers and students from its benefits.

The need for psychiatric care providers continues to outpace the demand in Hawaii. In 2019, the Hawai’i Physician Workforce Assessment Project note a 22% shortage of psychiatrists in Hawai’i. This will only worsen in coming years as the Association of American Medical Colleges (2019) notes that over 60% of American psychiatrists are over the age of 55, compared with under 45% of all physicians.

COVID-19 has changed the landscape of mental health care drastically by sparking a sharp increase in demand. Kaiser Family Foundation (2021) note that there was a nearly four-fold increase in adults who reported symptoms of a depressive or anxiety disorder from 2019 to 2021. Anecdotally, I can attest that many psychiatric providers are not accepting new clients or have waiting lists that they did not have pre-pandemic.

Hawai’i also enjoys the good fortune of hosting new Psychiatric Mental Health Nurse Practitioner programs at local universities. This will surely help to fill the need for qualified, competent psychiatric providers. However, voluntary clinical preceptors are a critical component of these programs. COVID-19 provides a disincentive for clinical preceptors in mental health care due to increased logistical challenges. Therefore, a tax incentive is greatly needed to attract more qualified preceptors for these programs.

In conclusion, I strongly support H.B. 1975 and urge that psychiatry providers and students be included in the expanded definition. Thank you for the opportunity to testify.