
A BILL FOR AN ACT

RELATING TO HEALTHCARE PRECEPTORS.

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

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

13 The purpose of the existing healthcare preceptor income tax
14 credit established under section 235-110.25, Hawaii Revised
15 Statutes, is to incentivize volunteer preceptors to offer
16 professional instruction, training, and supervision to students
17 and residents seeking careers as health care providers in the



1 State. During the implementation of the tax credit, many
2 providers trained eligible students, but only a small subset met
3 the eligibility requirements due to the primary care qualifying
4 criterion for the preceptor.

5 Thus, the legislature recognizes that programs training
6 physicians, advanced practice registered nurses, pharmacists,
7 and physician assistants in primary care also require training
8 from specialty preceptors who support primary care, in addition
9 to training from primary care providers. The legislature
10 further recognizes that the healthcare workforce has shortages
11 that extend beyond the current professions included in the tax
12 credit whose workforce expansion is also limited by available
13 preceptors, including social workers, physician assistants, and
14 registered dietitians. The legislature also finds that the
15 definition of "volunteer-based supervised clinical training
16 rotation" may be clarified to facilitate the preceptor credit
17 assurance committee's implementation of the tax credit.

18 Therefore, the purpose of this Act is to:

19 (1) Amend the definitions of "preceptor" and "volunteer-
20 based supervised clinical training rotation" to



- 1 improve accessibility for providers to receive income
2 tax credits for acting as preceptors;
- 3 (2) Add physician assistants, social workers, behavioral
4 health care, and licensed dieticians to the list of
5 preceptors, provided that any recognized preceptor may
6 train any eligible student to become eligible for the
7 preceptor tax credit;
- 8 (3) Include physician assistant, dietitian, and social
9 worker students in the definition of eligible
10 students; and
- 11 (4) Revise the membership of the preceptor credit
12 assurance committee to include the director of health.

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

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

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

- 18 (1) Holds either its principal accreditation or a physical
19 location in Hawaii; and
- 20 (2) Provides education to students, of whom more than
21 fifty per cent are residents of Hawaii.



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

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

12 "Dietician student" means an individual participating in an
13 academic program that is nationally accredited for the training
14 of individuals to become licensed dietitians pursuant to chapter
15 448B.

16 "Eligible professional degree or training certificate"
17 means a degree or certificate that fulfills a requirement to be
18 a physician, ~~[or]~~ osteopathic physician, or physician assistant,
19 pursuant to chapter 453 ~~[7]~~; an advanced practice registered
20 nurse, pursuant to chapter 457 ~~[7-0x]~~; a pharmacist, pursuant to



1 chapter 461[-]; dietician, pursuant to 448B; or social worker,
2 pursuant to chapter 467E.

3 "Eligible student" means an advanced practice registered
4 nurse student, medical student, [~~or~~] pharmacy student, physician
5 assistant student, dietician student, or social work student,
6 who is enrolled in an academic program.

7 "Medical student" means an individual participating in a
8 nationally accredited academic program leading to the medical
9 doctor or doctor of osteopathy degree. "Medical student"
10 includes graduates from nationally accredited academic programs
11 who have continued their training, in the role of resident or
12 fellow, to obtain the additional qualifications needed for
13 medical licensure, pursuant to chapter 453, or specialty
14 certification.

15 "Nationally accredited" means holding an institutional
16 accreditation by name to offer post-secondary medical primary
17 care education. Accreditation for medical students shall be
18 offered by the Liaison Committee on Medical Education or
19 American Osteopathic Association Commission on Osteopathic
20 College Accreditation. Accreditation for advanced practice
21 registered nurse students shall be offered by the Commission on



1 Collegiate Nursing Education. Accreditation for pharmacy
2 students shall be offered by the Accreditation Council for
3 Pharmacy Education. Accreditation for physician assistant
4 students shall be offered by the Accreditation Review Commission
5 on Education for the Physician Assistant, Inc. Accreditation
6 for social work students shall be offered by the Council on
7 Social Work Education. Accreditation for dietician students
8 shall be offered by the Accreditation Council for Education in
9 Nutrition and Dietetics.

10 "Pharmacy student" means an individual participating in an
11 academic program that is nationally accredited for the training
12 of individuals to become registered pharmacists pursuant to
13 chapter 461.

14 "Physician assistant student" means an individual
15 participating in an academic program that is nationally
16 accredited for the education of physician assistants to become a
17 nationally certified and licensed physician assistant pursuant
18 to section 453-5.3.

19 "Preceptor" means a physician [~~e~~], osteopathic physician,
20 or physician assistant, licensed pursuant to chapter 453[~~r~~]; an
21 advanced practice registered nurse, licensed pursuant to chapter



1 457[-]; licensed dietician, licensed pursuant to 448B; social
2 worker, licensed pursuant to chapter 467E; or a pharmacist,
3 licensed pursuant to chapter 461, who is a resident of Hawaii
4 [and who], maintains a professional [primary care] practice in
5 [this] the State[-], and whose specialty supports the
6 development and training of an eligible student in primary care
7 or behavioral health care.

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

14 "Social work student" means an individual participating in
15 an academic program that is nationally accredited for the
16 training of individuals to become a social worker licensed
17 pursuant to chapter 467E.

18 "Volunteer-based supervised clinical training rotation"
19 means ~~[an uncompensated]~~ a period of supervised clinical
20 training ~~[of]~~ to an eligible student that totals at least eighty
21 hours of supervisory time annually, in which a preceptor



1 provides personalized instruction, training, and supervision to
2 an eligible student to enable the eligible student to obtain an
3 eligible professional degree or training certificate[-];
4 provided that, while a preceptor may be compensated for
5 providing standard clinical services, the preceptor shall be:

6 (1) Uncompensated for the clinical training above or
7 beyond clinical salary or reimbursements for clinical
8 services; or

9 (2) Uncompensated for the provision of clinical training
10 services from tuition funds or from state general
11 funds."

12 SECTION 3. Section 321-2.7, Hawaii Revised Statutes, is
13 amended as follows:

14 1. By amending subsections (a) and (b) to read:

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

19 (1) Developing a process ensuring that requests for credit
20 certification are reviewed and verifications are



1 processed no later than thirty days following the
2 close of each calendar year; and

3 (2) Developing the documentation process for the committee
4 to certify a preceptor for the tax credit; provided
5 that the documentation to be collected shall include:

6 (A) The preceptor's name, address, place of practice,
7 and Hawaii provider license number;

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

10 (C) Attestation that the preceptor is uncompensated
11 for the volunteer-based supervised clinical
12 training rotation; [~~and~~] provided that, if the
13 preceptor is compensated for providing standard
14 clinical services, attestation that the preceptor
15 is:

16 (i) Uncompensated for the clinical training
17 above or beyond clinical salary or
18 reimbursements for clinical services; or

19 (ii) Uncompensated for the provision of clinical
20 training services from tuition funds or from
21 state general funds;



1 (D) Itemized specialties that support the development
2 and training of the eligible student in primary
3 care or behavioral health care; and

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

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

8 (1) [~~The Hawaii/Pacific basin area health education~~
9 ~~center;~~] The director of health or the director's
10 designee; and

11 (2) [~~The center for nursing; and~~] Representatives of:

12 (A) The Hawaii/Pacific basin area health education
13 center;

14 (B) The center for nursing; and

15 (C) Academic programs with eligible students.

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

17 2. By amending subsection (e) to read:

18 "(e) As used in this section, "academic program",

19 "behavioral health care", "eligible student", "preceptor",

20 "primary care", and "volunteer-based supervised clinical



1 training rotation" shall have the same meanings as in section
2 235-110.25."

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

5 SECTION 5. This Act shall take effect on December 31,
6 2050; provided that section 2 of this Act shall apply to taxable
7 years beginning after December 31, 2023.



Report Title:

Healthcare Preceptors; Preceptor Tax Credit

Description:

Expands the definition of preceptor to allow for improved accessibility for providers to receive income tax credits. Effective 12/31/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

