

S.B. NO. 3100

JAN 24 2024

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 the Hawaii health
2 corps program was established in 2012 with a focus on
3 encouraging certain healthcare providers to serve in counties
4 that are experiencing shortages of physicians, physician
5 assistants, and nurse practitioners, with a priority given to a
6 rural area county.

7 The legislature further finds that since that time, while
8 the need for these providers in these areas remains, there is an
9 increased need for a wider range of health care providers by
10 professions, as well as a pressing need for practitioners in
11 mental health.

12 The legislature further finds that on September 9, 2023,
13 the State launched the Hawaii healthcare education loan
14 repayment program (HELP), which is alleviating the educational
15 debt of 492 medical and healthcare professionals. Because of
16 the expanded scope and purpose of HELP, the purpose of this Act
17 is to clarify the name of the Hawaii health corps program and

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1 rename it to the Hawaii rural healthcare provider loan program
2 to better reflect the purpose of the program.

3 SECTION 2. Section 309H-1, Hawaii Revised Statutes, is
4 amended by amending the definition of "loan repayment" or
5 "repayment of loan" to read as follows:

6 "Loan repayment" or "repayment of loan" means the payment
7 of up to twenty per cent of a Hawaii [~~health corps~~] rural
8 healthcare provider loan program participant's health care
9 training costs including but not limited to tuition not
10 exceeding \$35,000 per year for a maximum of five years of
11 repayment."

12 SECTION 3. Section 309H-2, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "§309H-2 Hawaii [~~health corps~~] rural health care provider
15 loan program established. The Hawaii [~~health corps~~] rural
16 healthcare provider loan program is established to encourage
17 physicians, physician assistants, and nurse practitioners to
18 serve in counties having a shortage of physicians, physician
19 assistants, and nurse practitioners, with priority given to a
20 rural area county. The Hawaii [~~health corps~~] rural healthcare
21 provider loan program shall be administered by the University of
22 Hawaii John A. Burns school of medicine and the University of

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1 Hawaii at Manoa school of nursing and dental hygiene. In
2 administering the program, the University of Hawaii John A.
3 Burns school of medicine and the University of Hawaii at Manoa
4 school of nursing and dental hygiene shall:

5 (1) Adopt rules and develop guidelines to administer the
6 program;

7 (2) Identify and designate areas of the counties where
8 there is a shortage of physicians, physician
9 assistants, and nurse practitioners;

10 (3) Establish criteria for the selection by the University
11 of Hawaii John A. Burns school of medicine of
12 physicians, physician assistants, and nurse
13 practitioners to participate in the Hawaii rural
14 health care provider loan repayment program;

15 (4) Define and determine compliance with the service
16 commitments of the Hawaii rural health care provider
17 loan repayment program;

18 (5) Collect and manage reimbursements from participants
19 who do not meet their service commitments under the
20 Hawaii rural health care provider loan repayment
21 program;

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- 1 (6) Publicize the program, particularly to maximize
- 2 participation by individuals who live in areas of a
- 3 county where there is a shortage of physicians,
- 4 physician assistants, and nurse practitioners;
- 5 (7) Solicit and accept grants and donations from public
- 6 and private sources for the Hawaii rural health care
- 7 provider loan repayment program, including maximizing
- 8 the use of federal matching funds; and
- 9 (8) Establish criteria and procedures for calling Hawaii
- 10 ~~[health corps]~~ rural healthcare loan program
- 11 participants into service during an emergency or
- 12 disaster."

13 SECTION 4. Section 309H-3, Hawaii Revised Statutes, is
14 amended to read as follows:

15 " ~~[§309H-3]~~ **Hawaii rural health care provider loan**
16 **repayment program.** (a) There is created ~~[within the Hawaii~~
17 ~~health corps program,~~] the Hawaii rural health care provider
18 loan repayment program to be administered by the University of
19 Hawaii John A. Burns school of medicine and the University of
20 Hawaii at Manoa school of nursing and dental hygiene in
21 partnership with a lending financial institution whose
22 operations are principally conducted in Hawaii. The Hawaii

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1 rural health care provider loan repayment program shall provide
2 loan repayments to eligible physicians, physician assistants,
3 and nurse practitioners who make the service commitment under
4 subsection (b). The University of Hawaii John A. Burns school
5 of medicine and the University of Hawaii at Manoa school of
6 nursing and dental hygiene shall make loan repayments directly
7 to the financial institution under subsection (b) to offset the
8 loan repayment for which the Hawaii rural health care provider
9 loan repayment program recipient would otherwise be
10 liable. Loan repayments shall commence upon the commencement of
11 loan repayments by the Hawaii rural health care provider loan
12 repayment program recipient to the lending financial
13 institution. The University of Hawaii John A. Burns school of
14 medicine and the University of Hawaii at Manoa school of nursing
15 and dental hygiene shall prioritize loan repayments in
16 accordance with the greatest specialty shortages for the
17 particular county.

18 (b) The Hawaii rural health care provider loan repayment
19 program shall provide loan repayments on behalf of licensed
20 physicians, physician assistants, and nurse practitioners who
21 agree to serve for five consecutive years as a physician,
22 physician assistant, or nurse practitioner in a county having a

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1 shortage of physicians, physician assistants, and nurse
2 practitioners, with priority given to a rural area of that
3 particular county; provided that eligible physicians, physician
4 assistants, or nurse practitioners, as applicable, shall have
5 graduated from a duly accredited medical school or nursing
6 school within the United States; provided further that
7 preference shall be given to graduates of the University of
8 Hawaii John A. Burns school of medicine or the University of
9 Hawaii at Manoa school of nursing and dental hygiene, as
10 applicable.

11 (c) Eligible participants in the Hawaii rural health care
12 provider loan [+]repayment[+] program shall be determined by the
13 University of Hawaii John A. Burns school of medicine and the
14 University of Hawaii at Manoa school of nursing and dental
15 hygiene on a competitive basis and in accordance with subsection
16 (b).

17 (d) If a Hawaii rural health care provider loan repayment
18 program participant fails to satisfy the recipient's service
19 commitment under subsection (b), the Hawaii rural health care
20 provider loan repayment program participant shall be liable for
21 the repayment of the outstanding balance of the loan to the
22 lending financial institution under subsection (b). In

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1 addition, the University of Hawaii John A. Burns school of
2 medicine and the University of Hawaii at Manoa school of nursing
3 and dental hygiene may seek reimbursement for any loan repayment
4 made by the University of Hawaii John A. Burns school of
5 medicine or the University of Hawaii at Manoa school of nursing
6 and dental hygiene on behalf of the Hawaii rural health care
7 provider loan repayment program participant.

8 (e) In accordance with chapter 103D, the University of
9 Hawaii John A. Burns school of medicine and the University of
10 Hawaii at Manoa school of nursing and dental hygiene may enter
11 into written contracts with collection agencies to collect
12 delinquent reimbursements of loan repayments. All payments
13 collected, exclusive of a collection agency's commissions, shall
14 revert and be credited to the Hawaii [~~health corps~~] rural
15 healthcare provider loan fund. A collection agency that enters
16 into a written contract with the University of Hawaii John A.
17 Burns school of medicine or the University of Hawaii at Manoa
18 school of nursing and dental hygiene to collect delinquent
19 reimbursements of loan repayments pursuant to this section may
20 collect a commission from the debtor in accordance with the
21 terms of, and up to the amounts authorized in, the written
22 contract."

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1 SECTION 5. Section 309H-4, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§309H-4 Hawaii [~~health corps~~] rural health care provider
4 loan first responder service obligation. If an emergency or
5 disaster proclaimed under chapter 127A occurs, physicians,
6 physician assistants, and nurse practitioners participating in
7 the Hawaii [~~health corps~~] rural healthcare provider loan program
8 may be ordered into service by the governor as first responders
9 to serve in areas of the State and in a capacity determined by
10 the director of health. "

11 SECTION 6. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 7. This Act shall take effect upon its approval.

14

15

INTRODUCED BY: 

16

BY REQUEST

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Report Title:

Hawaii Health Corps Program; Hawaii Rural Healthcare Provider Loan Program; Loan Repayment

Description:

Renames the Hawaii Health Corps Program to the Hawaii Rural Healthcare Provider Loan Program.

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

JUSTIFICATION SHEET

DEPARTMENT: GOVERNOR

TITLE: A BILL FOR AN ACT RELATING TO HEALTH.

PURPOSE: To rename the Hawaii Health Corps Program to the Hawaii Rural Health Care Provider Loan Program.

MEANS: Amend Sections 309H-2, 309H-3, and 309H-4, Hawaii Revised Statutes.

JUSTIFICATION: The Hawaii Health Corps Program was established in 2012 with a focus on encouraging certain healthcare providers to serve in counties that are experiencing shortages of physicians, physician assistants and nurse practitioners, with a priority given to a rural area county.

However, since its implementation, it has become clear that, while the need for these providers to serve these areas remains, there is also an increased need for a wider range of healthcare providers by professions, including mental health services to continue to enhance and improve access to medical healthcare services in these areas.

Recently, the Hawaii Healthcare Education Loan Repayment Program (HELP) was established to help alleviate the educational debt of medical and healthcare professionals who practice in Hawaii. Due to HELP having an expanded scope and purpose compared to the current Hawaii Health Corps Program, it is necessary to clarify and rename this program to better reflect its purpose.

Impact on the public: None.

Impact on the department and other agencies:
The University of Hawaii John A. Burns

School of Medicine and the University of Hawaii School of Nursing and Dental Hygiene are the current administrator of the Hawaii Health Corps program, and they would remain administrators of this program after it is renamed.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: UOH 110 and UOH 100.

OTHER AFFECTED
AGENCIES: University of Hawaii; Department of Health;
Department of Budget and Finance.

EFFECTIVE DATE: Upon approval.