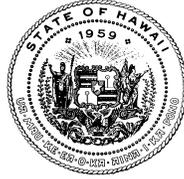


JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII'



KENNETH S. FINK, M.D., M.G.A, M.P.H
DIRECTOR OF HEALTH
KA LUNA HO'OKOLE

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

WRITTEN
TESTIMONY ONLY

**Testimony in SUPPORT of HB303
Relating to Healthcare Preceptors**

REPRESENTATIVE GREGG TAKAYAMA, CHAIR
HOUSE COMMITTEE ON HEALTH

Wednesday, 01-29-25 10:00AM in House conference room 329

- 1 **Department Position:** The Department of Health supports this measure. Findings from the 5-
- 2 year evaluation of the Hawaii Preceptor Tax Credit Program showed that providing income tax
- 3 credits to preceptors contributed to a growth in the number of preceptors providing training
- 4 and in the number of professionals becoming preceptors locally.

- 5 Therefore, by expanding the eligibility criteria so additional healthcare professions could
- 6 become preceptors and receive this tax credit would allow more students to train and work in
- 7 Hawaii, thereby addressing our healthcare workforce shortage.

- 8 A win-win situation for everyone, including us Hawaii residents who'll have more access to
- 9 healthcare at home.

- 10 Thank you for the opportunity to testify on this measure.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259

HONOLULU, HAWAII 96809

PHONE NO: (808) 587-1540

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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 303, Relating to Healthcare Preceptors

BEFORE THE:

House Committee on Health

DATE: Wednesday, January 29, 2025

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 329

Chair Takayama, Vice-Chair Keohokapu-Lee Loy, and Members of the Committee:

The Department of Taxation ("DOTAX") offers the following comments regarding H.B. 303 for your consideration.

H.B. 303 amends section 235-110.25, Hawaii Revised Statutes, regarding the healthcare preceptor income tax credit, by:

- (1) amending the definition of "preceptor" and "volunteer-based supervised clinical training rotation" to include specialty providers who support the development and training of students in clinical health care practice;
- (2) removing "primary care" practice as a criteria to qualify as a preceptor;
- (3) amending the definition of "eligible professional degree or training certificate," by adding students in the areas of physician assistants, dieticians, and social workers;
- (4) amending the definition of "eligible student" by adding physician assistant students, dietician students, social work students, or residents enrolled in an eligible academic program, residency program, or fellowship;
- (5) adding a definition for "residency program" to include residency or fellowship programs, nationally accredited through academia or employers;

- (6) amending the definition of “nationally accredited” to include nursing residents, pharmacy students, physician assistant students, dietician students, and social work students, that are each accredited by their unique accrediting bodies;
- (7) clarifying that a preceptor may be compensated through their clinical salary for providing standard clinical services, distinguishing those services from the volunteer-based supervised clinical training rotation that is applicable to this credit;
- (8) amending the preceptor credit assurance committee to include the Director of Health or the director’s designee, the Hawaii/Pacific basin area health education center, the center for nursing, and academic and residency programs with eligible students; and
- (9) accepting accreditation by any other accreditation body recognized by the preceptor credit assurance committee.

This measure is effective on July 1, 2025, provided that the expanded definitions in section 2 apply to taxable years beginning after December 31, 2025.

DOTAX can administer this measure by the current effective dates.

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



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare For All"

COMMITTEE ON HEALTH
Representative Gregg Takayama, Chair
Representative Sue L. Keohokapu-Lee Loy, Vice-Chair

January 29, 2025
10:00 AM
Hawaii State Capitol
Room 329 & Via Videoconference

Support of H.B. 303
RELATING TO HEALTHCARE PRECEPTORS

Expands 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, including removing "primary care" from the criteria to qualify as a preceptor.

Adds dieticians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support. Adds the Director of Health and residency programs with eligible students to the Preceptor Credit Assurance Committee. Applies to taxable years beginning after 12/31/2025

Edward Chu
President & Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony in **support of HB 303**.

The challenges in healthcare workforce shortages facing especially Hawaii's neighbor islands are well-known. Expanding and continuing to support the preceptor tax credit is one of the avenues Hawaii can take to work towards cultivating a dynamic healthcare workforce for all of Hawaii.

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



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00 a.m.

By

T. Samuel Shomaker, Dean and
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,
Hawaii/Pacific Basin Area Health Education Center (AHEC) Director

John A. Burns School of Medicine

and

Clementina D. Ceria-Ulep, Dean
UH School of Nursing and Dental Hygiene

University of Hawai'i at Mānoa

and

Alex Ortega, Dean
UH Mānoa Thompson School of Social Work and Public Health

and

Rae Matsumoto, Dean
UH Hilo Daniel K. Inouye College of Pharmacy

and

Michael Bruno, Provost
University of Hawai'i at Mānoa

and

Bonnie Irwin, Chancellor
University of Hawai'i at Hilo

HB 303 – RELATING TO HEALTHCARE PRECEPTORS

Chair Takayama, Vice Chair Keohokapu-Lee Loy, and Members of the Committee:

This testimony is presented on behalf of UH System, including John A. Burns School of Medicine (JABSOM), UH School of Nursing and Dental Hygiene (SONDH), the Thompson School of Social Work and Public Health, 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 303 which amends the successful Preceptor Tax Credit program that allows for income tax incentives to health care providers who volunteer to provide clinical training for Hawaii's future health care workforce. The bill expands 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. The bill also removes "primary care" from the criteria to qualify as a preceptor, and adds physician assistants, social workers, and licensed dietitians to the list of preceptors as these providers are

invaluable to the training of future health care professionals and reflects Hawai'i's interprofessional training philosophy. The measure further expands eligibility for the tax credit to include accredited residency programs that require preceptor support. In 2017, the Hawai'i State Center for Nursing 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 the 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. Therefore, clarifying the type of the compensation that a preceptor receives would assist in determining eligibility for the 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 the bill will expand the field of preceptors so that we may grow our training programs for primary care providers.

Practicum placements are a signature component of both undergraduate and graduate social work education. Students' work in community-based organizations provides space for their academic work to be applied to real world situations. In order for student practicums to occur, each student must be matched with an individual field instructor

who is required by our accrediting body to be a social worker. With the current workforce shortage of social workers and the high needs for their services in the state and beyond, we find it increasingly difficult to recruit practicum instructors. A practicum instructor's work with a student is considered beyond the normal scope of their day to day duties. We recognize the tremendous resource social work practicum instructors provide and know the success of the preceptor tax credit in allied professions has been tremendous. Social workers in Hawai'i would very much welcome the opportunity to access this tremendous benefit to support a vital workforce for community wellbeing.

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. In order 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 regards to medication related diseases.

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



**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00AM
Conference Room 329 and videoconference
By
Laura Reichhardt, APRN, AGPCNP-BC
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, 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, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

MAINTAIN	ADD	CHANGE
<ul style="list-style-type: none"> • Keep the process that local schools submit clinical rotation information; • Keep the requirement that preceptors must self-verify their location, license information, specialty, and lack of existing compensation for precepting; and • Keep, and clarify, the requirement that the tax credit is for non-compensated precepting activities only. 	<ul style="list-style-type: none"> • Add additional healthcare provider professions with schools in Hawai'i, including physical therapy, occupational therapy, social work, registered dietitians, and physician assistants. 	<ul style="list-style-type: none"> • Remove primary care specialty requirement for preceptors; and • Remove requirement that only preceptor education for primary care students may be eligible for tax credits.

TABLE I: RECOMMENDATION SUMMARY FROM THE PRECEPTOR NEEDS ASSESSMENT

The mission of the Hawai'i State Center is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.

In 2018, the Hawai'i Legislature, in their great wisdom, enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time (Figure 4). However, there is room to expand the program even with the positive growth.

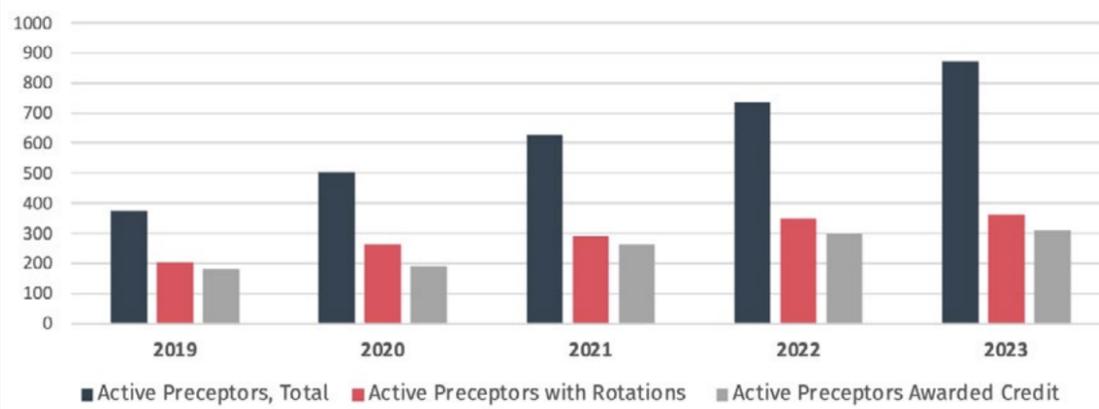


FIGURE 4: GROWTH IN PRECEPTORS, REGISTERED, WITH ROTATIONS AND RECEIVING TAX CREDITS

While the program is achieving the established goals, there is room to grow.

As one of the two administering organizations of the Preceptor Tax Credit program and Preceptor Credit Assurance Committee, the Center has verified that Social Work, Physician Assistants, and Registered Dietitians have the same professional criteria that currently enables us to maintain a functioning program for APRNs, physicians, and pharmacists. These criteria include: 1) professionals maintaining licensure in Hawai'i; 2) in-state schools that maintain preceptor coordination; 3) preceptor education that occurs during education enrollment (as opposed to post-graduation activities); and 4) schools with national accreditation. These standards are used in the verification process to ensure eligibility of preceptors and participating academic programs, as defined in H.R.S. 235-110.45 and H.R.S. 321-2.7.

Further, based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

The Hawai'i State Center for Nursing respectfully asks the Committee to pass this measure 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 is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.



**Testimony to the House Committee on Health
Wednesday, January 29, 2025; 10:00 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 0303, RELATING TO HEALTHCARE PRECEPTORS.

Chair Takayama, Vice Chair Keohokapu-Lee Loy, 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. 0303, RELATING TO HEALTHCARE PRECEPTORS.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live 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.

The bill, as received by your Committee, would:

- (1) Improve accessibility for providers to receive income tax credits for acting as preceptors;
- (2) Expand the list of preceptors and eligible students to include physician assistants, social workers, and licensed dieticians;
- (3) Expand eligibility for the tax credit to include accredited residency programs that require preceptor support; and
- (4) Revise the membership of the preceptor credit assurance committee to include the Director of Health and residency programs with eligible students.

This bill would take effect on July 1, 2025 and apply to taxable years beginning after December 31, 2025.

Testimony on House Bill No. 0303

Wednesday, January 29, 2025; 10:00 a.m.

Page 2

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 enhance a financial incentive to improve 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.

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.



January 29, 2025 at 10:00 am
Conference Room 329

House Committee on Health

To: Chair Gregg Takayama
Vice Chair Sue L. Keohokapu-Lee Loy

From: Paige Heckathorn Choy
AVP, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 303, Relating to Healthcare Preceptors

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **support** HB 303, which seeks to expand the eligibility criteria for the healthcare preceptor tax credit in Hawaii and make other changes to strengthen the program. This program is important to addressing the pressing shortage of healthcare providers in our state by improving the accessibility of these tax credits for more provider types, including those who may provide specialty care.

Preceptors play an indispensable role in the education and training of our future healthcare workforce. They serve as experienced mentors, providing hands-on clinical training and supervision to students across various healthcare disciplines. This mentorship is vital for students to translate theoretical knowledge into practical skills, ensuring they are well-prepared to deliver high-quality patient care upon entering the workforce.

Expanding the eligibility for this successful program to include a broader range of healthcare providers will help incentivize more professionals to serve as preceptors. This expansion is expected to enhance the training opportunities for students and help to ensure a more robust pipeline of well-trained providers ready to meet the diverse healthcare needs of our population. Thank you for hearing this important measure and your continued support for building a strong healthcare workforce in Hawaii.

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: NET INCOME, Expand Healthcare Preceptor Credit

BILL NUMBER: HB 303

INTRODUCED BY: TAKAYAMA, KITAGAWA, Marten, Miyake, Olds, Pierick, Sayama, Todd

EXECUTIVE SUMMARY: Expands 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, including removing "primary care" from the criteria to qualify as a preceptor. Adds dietitians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support. Adds the Director of Health and residency programs with eligible students to the Preceptor Credit Assurance Committee.

SYNOPSIS: Amends section 235-110.25(g), HRS, to add definitions for dietitian student, physician assistant student and social work student and adds these professions to the definition of "eligible student" and "Preceptor" for purposes of the healthcare preceptor income tax credit.

Amends section 235-110.25(g), HRS, to add a definition for residency program.

Amends section 235-110.25(g), HRS, definition of eligible student to add students enrolled in a residency program or fellowship.

Amends section 235-110.25(g), HRS, definition of "volunteer-based supervised clinical training rotation" to allow a preceptor to be compensated for providing standard clinical services, while providing that the preceptor be uncompensated for (1) the clinical training above or beyond clinical salary or reimbursements for clinical services, or 2) the provision of clinical training services from tuition funds or from state general funds.

Makes other conforming changes to section 235-110.25(g)..

Amends section 321-2.7(a)(2)(C), HRS, to add attestation provisions if the preceptor is compensated.

Amends section 321-2.7(b), HRS, to revise the membership of the preceptor credit assurance committee, adding the director of health or the director's designee, and representatives of academic programs with eligible students and residency programs with eligible students.

EFFECTIVE DATE: July 1, 2025; Section 2 applicable to taxable years beginning after December 31, 2025.

STAFF COMMENTS: The credit for healthcare preceptors was added by Act 43, SLH 2018. This measure appears to arise from the department of health's first five-year evaluation of

Re: HB 303

Page 2

the program made to the 2024 Legislature. The evaluation noted an increase in preceptors and recommended the addition of other classes of health care providers.

The bill, by allowing physician assistants, dieticians, and social workers into the program and removing the current restriction to primary care, scales the program up and will have a revenue impact.

Digested: 1-24-25

Wednesday, January 29, 2025 at 10:00 AM
Via Video Conference; Conference Room 329

House Committee on Health

To: Representative Gregg Takayama, Chair
Representative Sue Keohokapu-Lee Loy, Vice Chair

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

**Re: Testimony in Support of HB 303
Relating to Health Care Preceptors**

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 303 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. The bill also removes “primary care” from the criteria to qualify as a preceptor, and adds physician assistants, social workers, and licensed dietitians to the list of preceptors as these providers are invaluable to the training of future health care professionals and reflects Hawai'i's interprofessional training philosophy. The measure further expands eligibility for the tax credit to include accredited residency programs that require preceptor support.

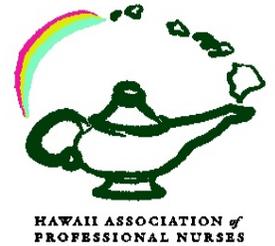
Preceptors are advanced practice registered nurses (APRN), physicians (MD), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach and train students. The lack of sufficient numbers of healthcare professionals to act as preceptors impacts many of the University 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 specialty 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 and allow for enhanced training opportunities to grow our workforce.

Thank you for the opportunity to testify.

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Gregg Takayama, Chair of the House Committee on Health

From: Hawaii Association of Professional Nurses (HAPN)

Subject: HB303 – Relating to Healthcare Preceptors

Hearing: January 29, 2025, 2:00 p.m.

Aloha Representative Takayama, Chair; Representative Keohokapu-Lee Loy, Vice Chair; and Members of the Committee,

On behalf of the Hawaii Association of Professional Nurses (HAPN), we strongly support HB303, which makes crucial amendments to the healthcare preceptor tax credit program. This bill addresses the ongoing shortage of healthcare providers in Hawaii by incentivizing preceptors, particularly those who train advanced practice registered nurses (APRNs), to mentor and support the development of the next generation of healthcare professionals.

The Importance of HB303 for APRNs

APRNs play a pivotal role in Hawaii's healthcare system, providing high-quality care and addressing critical gaps in access, particularly in rural and underserved areas. HB303 supports this vital workforce by:

- 1. Expanding Preceptor Eligibility:** Including APRN students in specialty areas beyond primary care acknowledges the need for training in diverse fields, such as behavioral health, geriatrics, and chronic disease management, which are in high demand across the state.
- 2. Supporting APRN Residency Programs:** By extending eligibility to residency programs, HB303 provides much-needed support for initiatives, which prepares new graduates to practice independently and confidently in complex care settings.
- 3. Reducing Barriers for APRN Preceptors:** Removing the "primary care" limitation allows APRNs in specialty roles to serve as preceptors, expanding training opportunities for students and ensuring that Hawaii's future workforce is equipped to meet the diverse needs of our communities.
- 4. Encouraging Local Training and Retention:** APRNs trained and mentored in Hawaii are more likely to remain in the state to practice, directly addressing provider shortages. HB303 enhances the pipeline by strengthening incentives for local preceptors.

The Impact of the Preceptor Tax Credit on APRNs

Since the program's inception, the preceptor tax credit has been instrumental in growing Hawaii's healthcare workforce. For APRNs, the availability of qualified preceptors is critical to completing clinical rotations and meeting licensure requirements. Expanding eligibility and

removing restrictions will further strengthen the program's impact, allowing more APRNs to complete their training locally.

For example, the inclusion of APRN residency programs helps bridge the gap between education and practice, equipping new graduates to deliver care in high-demand areas. By addressing the need for preceptors across specialties, HB303 ensures that APRNs are well-prepared to provide the comprehensive, patient-centered care that Hawaii's communities deserve.

HAPN's Commitment to APRNs

As the leading voice for APRNs in Hawaii, HAPN is committed to advocating for policies that advance the profession and improve access to care for our communities. HB303 aligns with our mission by empowering APRN students and their preceptors to build a sustainable healthcare workforce capable of meeting Hawaii's evolving needs.

Conclusion

HB303 is a vital step forward in strengthening the preceptor tax credit program and ensuring that APRN students have the support needed to complete their training and serve in Hawaii's healthcare system. We respectfully urge the committee to pass this measure and thank you for your dedication to addressing healthcare workforce challenges in our state.

Mahalo for the opportunity to provide testimony in strong support of HB303. Please do not hesitate to contact us if additional information is needed.

Respectfully,

Dr. Jeremy Creekmore, APRN
HAPN President



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Greg Takayama, Chair
The Honorable Sue L. Keohokapu-Lee Loy, Vice Chair
Members, House Committee on Health

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

Date: January 29, 2025

Re: Support for HB303: Relating to Healthcare Preceptors

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 10,000 affiliated physicians, caregivers, and dedicated medical staff 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** HB303, which expands eligibility for the health care preceptor tax credit by clarifying that preceptors may be compensated for standard clinical services and including specialties that support the development and training of students in primary care, 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 131 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 on this measure.

The mission of The Queen's Health System 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.



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

HOUSE COMMITTEE ON HEALTH
Representative Gregg Takayama, Chair
Representative Sue Keohokapu-Lee Loy, Vice Chair

Date: January 29, 2025
From: Hawaii Medical Association (HMA)
Jerald Garcia MD - Chair, HMA Public Policy Committee

Re: HB 303 Healthcare Preceptors; Healthcare Preceptor Tax Credit; Dieticians;
Physician Assistants; Social Workers; Residency Programs; Preceptor Credit
Assurance Committee; Director of Health
Position: Support

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

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

2025 Hawaii Medical Association Officers

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2025 Hawaii Medical Association Public Policy Coordination Team

Jerald Garcia, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director



Government Relations

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Health
The Honorable Gregg Takayama, Chair
The Honorable Sue L. Keohokapu-Lee Loy, Vice Chair

January 29, 2025
10:00 a.m.
Via Videoconference
Conference Room 329

Re: HB 303, Relating to Healthcare Preceptors

Chair Takayama, Vice Chair Keohokapu-Lee Loy, and committee members, thank you for this opportunity to provide testimony on HB 303, which makes several changes to the current Hawaii Preceptor Tax Credit, which was established in 2019, by broadening the type of clinical rotations eligible to include all clinical specialties and include a larger group of healthcare professionals vital to the interdisciplinary healthcare workforce needs of Hawaii

Kaiser Permanente Hawai'i SUPPORTS HB 303.

Kaiser Permanente Hawai'i is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 271,000 members in Hawai'i. In Hawai'i, more than 4,200 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai'i has more than 20+ medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the people living in the communities we serve.

Kaiser Permanente Hawai'i supports HB 303 because it would expand the definition of "preceptor" to acknowledge the many medical specialists who 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 and specialist providers. Furthermore, the inclusion of physician assistants (PA), social workers, and licensed dietitians reflects the inclusion of a larger group of healthcare professionals properly reflects the interdisciplinary healthcare workforce in Hawaii.

In 2023, KP physician preceptors supported over 250 individual eligible rotations in internal medicine, family medicine, pediatrics, obstetrics and gynecology, geriatrics, continuing care, and sports medicine for a total of 19,408 rotation hours, resulting in 112 tax credits. Pharmacy preceptors also supported 676 rotation hours for 6 tax credits. In addition, we had 40 nurse preceptors and placed 285 students throughout inpatient nursing.

Mahalo for the opportunity to testify on this important measure.



DATE: 27 Jan 2025

TO: Chair Gregg Takayama
Vice-Chair Sue L. Keohokapu-Lee Loy
House Committee on Health

RE: HB303 RELATING TO HEALTHCARE PRECEPTORS

Hearing Date/time: Wednesday 1-29-25 10:00 AM
Place: House conference room 329 via videoconference

Dear Chair Takayama and Vice-Chair Keohokapu-Lee Loy,

Thank you for the opportunity to provide testimony on HB303, which expands the definitions of preceptor and volunteer based supervised training rotations to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing “primary care” from the criteria to qualify as a preceptor. Adds dietitians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support.

The Hawai‘i Academy of Physician Assistants (HAPA) STRONGLY SUPPORTS HB303. HAPA is the Hawai‘i state chapter of The American Academy of PAs.

HAPA supports HB303 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai‘i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC. Additionally, the bill supports the clinical training requirements of PA, medical, and APRN students who must receive clinical training in a variety of clinical specialties as set by their respective national accreditation standards. Finally, this bill recognizes the importance of an interdisciplinary healthcare workforce by also including Social Workers and Dietitians and Social Work and Dietician students in the PTC.



The Hawai'i Academy of Physician Assistants recognizes that PA education in Hawai'i is crucial for expanding the state's healthcare workforce. The establishment of the Hawai'i Pacific University PA Program on O'ahu, and the University of Washington MEDEX PA Program on Hawai'i Island, further demonstrates a commitment to training PAs specifically prepared to serve Hawai'i's communities. By supporting clinical preceptors who supervise PA training throughout the state, we can better ensure that PA graduates secure employment and encourage them to build long-term careers in Hawai'i.

Physicians Assistants (PAs) are state-licensed, nationally certified medical providers, who receive rigorous medical training modeled on medical school curriculum. PAs play a critical role on healthcare delivery teams, and along with their physician and APRN counterparts, help ensure the delivery of high-quality healthcare. Amidst a statewide physician shortage, PAs are successfully filling critical gaps in healthcare and reducing health disparities by expanding access to care for communities in Hawai'i. PAs are found in every clinical setting and in every medical specialty and are authorized by the Affordable Care Act (ACA), along with physicians and APRNs, to serve as primary care providers (PCP) for their patients.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you for the opportunity to provide testimony on this important healthcare workforce issue.

Sincerely,

A handwritten signature in black ink that reads 'Leocadia P. Conlon'.

Leocadia Conlon, PhD, MPH, PA-C
Legislative Liaison
Hawai'i Academy of Physician Assistants (HAPA)

HB-303

Submitted on: 1/27/2025 8:41:56 AM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erik Masayuki Shipley	Kahala Clinic for Children and Family	Support	Written Testimony Only

Comments:

I support this legislation, especially if it were to include mental health specialties like Psychiatry. We have a dearth of mental health providers. Anything to support the education of more mental health providers (Advanced Psychiatric Nurse Practitioners, Physician's Assistants, Social Workers, Marriage and Family Therapists) will be very important for the community.



**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00AM
Conference Room 329 and videoconference**

By

**Cathy K. Bell, MD, pediatrician, psychiatrist, child psychiatrist
Kahala Clinic for Children & Family**

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, Dr. Bell does not ask for new or expanded appropriations to the tax credit program.

This measure, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

In 2018, the Hawai'i Legislature enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time.

While the program is achieving the established goals there is room to grow.

Based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

Behavioral health is an integral part of comprehensive primary care

I completed the Triple Board Program at the University of Hawaii in 2000. This program was created and state funded to train physicians who could integrate behavioral health into primary care. As a triple boarded physician in pediatrics, general psychiatry and child & adolescent psychiatry, I firmly believe and have seen over the past twenty four years of clinical practice, that behavioral health services are critically important to an individual's overall health and should be an integral part of providing comprehensive primary care.

This past year I was informed that I did not meet the criteria for the Preceptor Tax Credit, despite being a pediatrician, because I was training PMHNP's, not primary care physicians. I find it interesting since the PMHNP's that I have trained all worked as nurses for 6+ years and will continue to use their knowledge and experience as nurses when they help patients as a PMHNP. In addition, as psychiatric practitioners we address more than what's generally considered mental health. We evaluate and support child development, sleep/airway, school success, learning differences, family and peer relationships, and refer and collaborate with other professionals, such as pediatricians, medical specialists, dentists, speech therapists, occupational therapists, school teachers, and OG tutors to optimize the overall health of children and families. Many times, we are also the ones that support and motivate patients to work with their health care provider to manage their health conditions when they otherwise wouldn't.

I found these definitions of primary care:

- Primary care aims to provide accessible, comprehensive, and continuous healthcare to individuals and families, focusing on maintaining their health and well-being. It is considered the foundation of a healthcare system and plays a crucial role in early detection, prevention, and management of health issues.”
- Primary care refers to the initial and ongoing health care services provided by healthcare professionals. It encompasses a wide range of medical activities, including: preventive care, diagnostic care, treatment care, health education and counseling and coordination of care

HB303 helps students graduate and become part of the workforce

There are very few qualified preceptors in our state who have the interest and/or motivation in precepting students due to their competing professional, personal and financial demands. This tax credit will compensate health professionals for their time.

From 2016 - present, I have trained medical students and child psychiatry residents, without compensation.

Since 2023, I have trained six psychiatric mental health nurse practitioners (PMHNP's), without compensation. We have hired two of them and will be bringing at least two more on board in 2025. This year, only two of our psychiatrists will be training six more PMHNP's. We currently have seven psychiatrists and four nurse practitioners, however, the majority are not serving as preceptors due to the time demands of training and the competing interest of serving patients. The tax credit would allow our clinic and other qualified preceptors to train more physicians and PMHNP's.

I receive many inquiries from students from PMHNP, physician assistant, and marriage & family therapy programs, desperate in finding clinical preceptorships so they can graduate. Sadly, I do not have the capacity to take them all and have to turn some away. This tax credit would help recruit more preceptors so students can get trained, enter the workforce and serve our community.

Summary

Given the skyrocketing need for behavioral health services in Hawaii especially following COVID and the Lahaina fires, the awareness and appreciation that behavioral health services are an integral part of comprehensive primary care, and the real bottleneck hindering students in graduating and entering the workforce, I respectfully ask the Committee to pass this measure through your committee. The clinicians in our office, like all other behavioral health clinicians in the state, are not able to provide timely access to services. For all patients, but especially for our youth, waiting 3-12 months or more for services risks worsening symptoms, academic and social failure, added stress and risk of suicide. I thank your committee for its commitment to the people of Hawai'i and ensuring timely access to high-quality comprehensive primary care by supporting local healthcare education and training initiatives.



**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00AM
Conference Room 329 and videoconference**

By

Katherine Gardner Bougard, MSN, APRN-Rx, PMHNP-BC, PMHCNS-BC

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, Katherine Gardner Bougard does not ask for new or expanded appropriations to the tax credit program.

This measure, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

In 2018, the Hawai‘i Legislature enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time.

While the program is achieving the established goals there is room to grow.

Based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

Behavioral health is an integral part of comprehensive primary care. *As a psychiatric mental health nurse with fifteen years of experience working with children and adolescents in Hawai'i, I can assure you that behavioral health services are critically important to an individual's overall health and should be an integral part of providing comprehensive primary care.*

I am proud to work at a clinic that is dedicated to precepting student Psychiatric Mental health Nurse Practitioners (PMHNPs). This past year I was informed that none of the providers in the clinic – psychiatrists or Advanced Practice Registered Nurses (APRNs) - met the criteria for the Preceptor Tax Credit, because we were training PMHNP's, not primary care physicians. As an APRN and PMHNP, we are educated and trained to address more than what's generally considered mental health. We evaluate and support child development, sleep/airway, school success, learning differences, family and peer relationships, and refer and collaborate with other professionals, such as pediatricians, medical specialists, dentists, speech therapists, occupational therapists, teachers, and academic tutors to optimize the overall health of children and families. Many times, we are also the ones that support and motivate patients to work with their primary health care provider to manage their health conditions when they otherwise wouldn't.

HB303 helps students graduate and become part of the workforce

There are very few qualified preceptors in our state who have the interest and/or motivation in precepting students due to their competing professional, personal and financial demands. This tax credit will compensate health professionals for their time.

Student PMHNPs across our state are having a very difficult time finding qualified and available preceptors to provide them with the 500 clinical hours required for adequate training and graduation from their programs. While I have precepted PMHNP students for the last year and half, I have had to turn down twice as many student requests because I am only one provider and there are only so many hours in a day.

This tax credit would help recruit more preceptors so students can get trained, enter the workforce and serve our community.

Summary

Given the skyrocketing need for behavioral health services in Hawai'i, especially following COVID and the Lahaina wildfires, and the awareness and appreciation that behavioral health services are an integral part of comprehensive primary care, I respectfully ask the Committee to pass this measure. As a PMHNP, like all other behavioral health providers across the state, our patients are waiting far too long for the mental health support they need. For all patients, but especially for our youth, waiting months or more for services risks worsening symptoms, academic and social failure, and compounded stress which can lead to suicidal ideation and other forms of self-harm.

I thank your committee for its commitment to the people of Hawai'i and ensuring timely access to high-quality comprehensive primary care by supporting local healthcare education and training initiatives.

**Testimony Presented Before the
House Committee on Health
HEARING: Wednesday January 29, 10:00 A.M.**

PLACE: Room 329 State Capital and via videoconference



Hawai'i – American Nurses Association (Hawai'i-ANA)

HB303 – Relating to Healthcare Preceptors

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee, and members of the House Committee on Health, thank you for providing this opportunity for Hawai'i nurses' voices to be heard.

Hawai'i-American Nurses Association (Hawai'i- ANA) is the professional association for over 17,000 registered nurses who live and work in Hawai'i. Our mission is to advocate for the improvement of the healthcare system in the communities where we live and work. **We stand in strong support of this bill.**

The preceptor tax credit program is intended to help alleviate the bottleneck within health education programs related to a shortage of clinical education sites and preceptors. The tax credit program has successfully grown the body of preceptors. However, there is room to expand this program and there are sufficient funds to broaden access to the tax credit program to other specialty providers engaged in precepting in-state students beyond the current advanced practice registered nurse, physician, and pharmacist professionals, to include social work, physician assistants,

and registered dietitians. Clearly, there is a need, an ability to maintain the program's legally mandated verification requirements and fiscal capacity, to expand this successful program.

Hawai'i-ANA thanks your committee for its commitment to the people of Hawai'i in ensuring access to high-quality health care by supporting local healthcare education and training initiatives. Thank you for the opportunity to testify in support of this measure.

Contact information for Hawai'i – American Nurses Association:

President: Dr. Denise Cohen, PhD, APRN, FNP-BC, president@hawaii-ana.org

Executive Director: Elizabeth M. Kahakua, BSN executivedirector@hawaii-ana.org
phone (808) 779-3001 500 Lunalilo Home Road, #27-E, Honolulu HI 96825



Written Testimony Presented Before the Committee on Health
January 27, 2025

By the Hawai'i Affiliate of the American College of Nurse-Midwives (HAA)

Re: HB 303 RELATING TO HEALTHCARE PRECEPTORS

Chairperson Takayam and Vice Chairperson Keohokapu-Lee Loy,

Thank you for the opportunity to offer comment on HB 303. We provide testimony on behalf of our professional member organization, the Hawai'i Affiliate of the American College of Nurse-Midwives (HAA), whose mission is “to promote the health and well-being of women and newborns within their families and communities through the development and support of the profession of midwifery as practiced by Certified Nurse-Midwives (CNMs) and Certified Midwives (CMs).”

IN SUPPORT WITH COMMENT FOR HB 303

Currently in the State of Hawai'i, there is no school for midwifery for a student nurse midwife (SNM) pursuing a CNM credential nor for a student midwife (SM) pursuing a CM credential. All Hawai'i-based midwifery students must either travel to the continent for their masters degree or complete a remote program pending their ability to obtain clinical sites and preceptors. As none of these programs are based in Hawai'i, no preceptor of a SNM or SM can apply for a tax credit. We hope this bill can address this oversight.

As a part of the purpose of our organization to grow the profession, we offer support to student midwives. Listed on our midwife directory, there are 45 CNMs and one CM working in the State. From within this group, very few CNM and CM are in a position to precept, either due to institutional limitations or not having the required volume if in private practice. HAA members are intimately aware of the negative impact on aspiring students and their families due to this lack of access to clinical sites and preceptors.

This is also a social justice issue. As an organization, we are proud of our efforts to address issues of equity as it relates to education. Currently, there is only one Kānaka Maoli CNM working in the State. In the years to come, we hope there will be more and more representation of Native Hawaiian providers as well as an expansion of providers from Pacific Islander communities. Any manner of incentive for working CNM and CMs who are in a position to precept will support ‘growing our own.’

The amendments we seek in this bill would be: 1) to include the CNM and CM within credentials eligible for a tax credit & 2) a provision for eligibility for a tax credit to be extended to those precepting to Hawai'i-based students to support growing our profession to serve their communities.

We appreciate your consideration of our testimony and we are available for comment via email.

Sincerely,

The Hawai'i Affiliate of ACNM Board

Annette Manant, PhD, ARPN, CNM President

Connie Conover, CNM, MSN Vice President & Treasurer

Margaret Ragen, CM, LM, MS Secretary & Affiliate Legislative Contact

acnmhawaiiaffiliate@gmail.com

<https://hawaiimidwives.org/>

HB-303

Submitted on: 1/26/2025 3:18:03 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Valerie Janikowski	Individual	Support	Written Testimony Only

Comments:

I would like to express my support for HB303.

Furthermore, I think it should also include Pharmacists, Nurse Practitioners, Physical Therapists and Registered Nurses. Particularly in the rural communities these providers hustle tirelessly precepting students of many disciplines to enhance workforce development within our state.

Respectfully, Valerie Janikowski RN

HB-303

Submitted on: 1/27/2025 9:22:31 AM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Courtney DeConto	Individual	Support	Written Testimony Only

Comments:

I respectfully asks the Committee to pass this measure through your committee. I thank you and 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.

HB-303

Submitted on: 1/27/2025 3:17:51 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
jason patel	Individual	Support	Written Testimony Only

Comments:

Written Testimony Presented Before the

House Committee on Health

Wednesday, January 29, 2025 at 10:00AM

Conference Room 329 and videoconference

By

Jason Patel, MD, psychiatrist, family therapist & child psychiatrist

Kahala Clinic for Children & Family

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in strong support of this measure. By way of this measure, Dr. Patel does not ask for new or expanded appropriations to the tax credit program.

This measure, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties

who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

In 2018, the Hawai'i Legislature enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time.

While the program is achieving the established goals there is room to grow.

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Behavioral health is an integral part of comprehensive primary care

I completed the Child & Adolescent Psychiatry Program at the University of Hawaii in 2022. This program was included training to for physicians who could integrate behavioral health into primary care. I firmly believe and have seen over the past twenty four years of clinical practice, that behavioral health services are critically important to an individual's overall health and should be an integral part of providing comprehensive primary care.

This past year I was informed that I did not meet the criteria for the Preceptor Tax Credit, despite being a child psychiatrist, because I was training PMHNP's, not primary care physicians. I find it interesting since the PMHNP's that I have trained all worked as nurses for 2+ years and will continue to use their knowledge and experience as nurses when they help patients as a PMHNP. In addition, as psychiatric practitioners we address more than what's generally considered mental health. We evaluate and support child development, sleep/airway, school success, learning differences, family and peer relationships, and refer and collaborate with other professionals, such as pediatricians, medical specialists, dentists, speech therapists, occupational therapists, school teachers, and tutors to optimize the overall health of children and families. Many times, we are also the ones that support and

motivate patients to work with their health care provider to manage their health conditions when they otherwise wouldn't.

I found these definitions of primary care:

- Primary care aims to provide accessible, comprehensive, and continuous healthcare to individuals and families, focusing on maintaining their health and well-being. It is considered the foundation of a healthcare system and plays a crucial role in early detection, prevention, and management of health issues.”**
- Primary care refers to the initial and ongoing health care services provided by healthcare professionals. It encompasses a wide range of medical activities, including: preventive care, diagnostic care, treatment care, health education and counseling and coordination of care**

HB303 helps students graduate and become part of the workforce

There are very few qualified preceptors in our state who have the interest and/or motivation in precepting students due to their competing professional, personal and financial demands. This tax credit will compensate health professionals for their time.

From 2020 - present, I have trained medical students and child psychiatry residents, without compensation.

Since 2023, I have trained two psychiatric mental health nurse practitioners (PMHNP's), without compensation. We have hired two of them and will be bringing at least two more on board in 2025. This year, only two of our psychiatrists will be training six more PMHNP's. We currently have seven psychiatrists and four nurse practitioners, however, the majority are not serving as preceptors due to the time demands of training and the competing interest of serving patients. The tax credit would allow our clinic and other qualified preceptors to train more physicians and PMHNP's.

I receive many inquiries from students from PMHNP, physician assistant, and marriage & family therapy programs, desperate in finding clinical preceptorships so they can graduate. Sadly, I do not have the capacity to take them all and have to turn some away. This tax credit would help recruit more preceptors so students can get trained, enter the workforce and serve our community.

Summary

Given the skyrocketing need for behavioral health services in Hawaii especially following COVID and the Lahaina fires, the awareness and appreciation that behavioral health services are an integral part of comprehensive primary care, and the real bottleneck hindering students in graduating and entering the workforce, I respectfully ask the Committee to pass this measure through your committee. The clinicians in our office, like all other behavioral health clinicians in the state, are not able to provide timely access to services. For all patients, but especially for our youth, waiting 3-12 months or more for services risks worsening symptoms, academic and social failure, added stress and risk of suicide. I thank your committee for its commitment to the people of Hawai'i and ensuring timely access to high-quality comprehensive primary care by supporting local healthcare education and training initiatives.

Sincerely,

Jason Patel, MD

**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00AM
Conference Room 329 and videoconference
By**

**Jenny Pivonka, PMHNP, psychiatric nurse practitioner
Kahala Clinic for Children & Family**

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, Dr. Bell does not ask for new or expanded appropriations to the tax credit program.

This measure, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

MAINTAIN	ADD	CHANGE
<ul style="list-style-type: none"> Keep the process that local schools submit clinical rotation information; Keep the requirement that preceptors must self-verify their location, license information, specialty, and lack of existing compensation for precepting; and Keep, and clarify, the requirement that the tax credit is for non-compensated precepting activities only. 	<ul style="list-style-type: none"> Add additional healthcare provider professions with schools in Hawai'i, including physical therapy, occupational therapy, social work, registered dietitians, and physician assistants. 	<ul style="list-style-type: none"> Remove primary care specialty requirement for preceptors; and Remove requirement that only preceptor education for primary care students may be eligible for tax credits.

TABLE 1: RECOMMENDATION SUMMARY FROM THE PRECEPTOR NEEDS ASSESSMENT

In 2018, the Hawai'i Legislature, in their great wisdom, enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time (Figure 4). However, there is room to expand the program even with the positive growth.

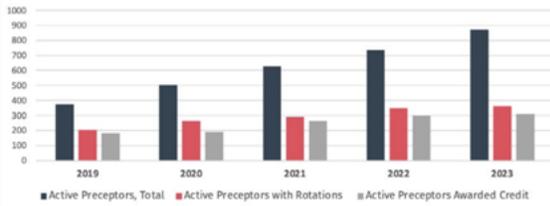


FIGURE 4: GROWTH IN PRECEPTORS, REGISTERED, WITH ROTATIONS AND RECEIVING TAX CREDITS

While the program is achieving the established goals, there is room to grow.

As one of the two administering organizations of the Preceptor Tax Credit program and Preceptor Credit Assurance Committee, the Hawai'i State Center for Nursing has verified that Social Work, Physician Assistants, and Registered Dieticians have the same professional criteria that currently enables us to maintain a functioning program for APRNs, physicians, and pharmacists. These criteria include: 1) professionals maintaining licensure in Hawai'i; 2) in-state schools that maintain preceptor coordination; 3) preceptor education that occurs during education enrollment (as opposed to post-graduation activities); and 4) schools with national accreditation. These standards are used in the verification process to ensure eligibility of preceptors and participating academic programs, as defined in H.R.S. 235-110.45 and H.R.S. 321-2.7.

Further, based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

I was precepted by a child psychiatrist and was able to finish my graduate degree and am now able to serve my community in the practice I was trained in. We have seven psychiatrists and three other nurse practitioners, however, the majority are not serving as preceptors due to the time demands of training and the competing interest of serving patients in need of help. I believe the tax credit would allow our clinic and other qualified preceptors to train more PMHNP's to better serve families in our community.

I originally planned to become a general practice nurse practitioner, however, I recognized the importance of behavioral health to the overall well-being of children, so I decided to complete the psychiatric mental health nurse practitioner program, I firmly believe that behavioral health is critically important and an integral part of comprehensive primary care especially for children and teens.

Given the skyrocketing need for behavioral health services in Hawaii especially following COVID and the Lahaina fires, I respectfully asks the Committee to pass this measure through your committee. The clinicians in our office, like all other behavioral health

clinicians in the state, are not able to provide timely access to services. For all patients, but especially for our youth, waiting 3-12 months or more for services risks worsening symptoms, academic and social failure, added stress and risk of suicide. I thank your committee for its commitment to the people of Hawai'i and ensuring timely access to high-quality comprehensive health care by supporting local healthcare education and training initiatives.

HB-303

Submitted on: 1/27/2025 8:24:16 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Charlene K. Rowley	Individual	Comments	Written Testimony Only

Comments:

Aloha Representative Takayama and Chair members,
My name is Charlene Kiana Rowley, and a nursing graduate of UH Manoa and former Castle Medical Center labor and delivery nurse currently attending Georgetown University online as a Graduate student for Certified Nurse Midwife, CNM, and Women’s Health Nurse Practitioner, WHNP. These programs are not available in the state of Hawaii and I have been struggling to complete my degree due to lack of preceptors. A tax credit for these preceptors would help to incentives more in state options for students like myself. I currently reside in Kula Maui where I was raised and am raising kids of my own near my parents and siblings. To leave my community to complete my degree has not been possible for me and considering adding our profession of midwifery to your bill would provide a much needed incentive. Midwives contribute significantly to the health of our mothers and babies. Please consider the suggested edits below.

Suggested edits:

Page 2 lines 10-12: "additional health care provider professions that have 11 established schools serve students who are full time residents of Hawaii should be added to the tax credit 12 eligibility,"

Page 3 lines 1-7: "expansion is also limited by available preceptors, including 2 social workers, physician assistants, and registered dieticians, 3 as well as workers in high—demand specialties such as behavioral 4 health. As such, the healthcare preceptor tax credit should not 5 be limited to physicians, advanced practice registered nurses, 6 and pharmacists and should be expanded to be applied across all 7 eligible professions.

Page 3 line 18-20: "Add physician assistants, social workers, certified professional midwives, certified midwives, and licensed 19 dieticians to the list of preceptors and in the 20 definitions of “eligible student”;

Page 4 lines 10-15: " “Academic program” means an academic degree granting 11 program or graduate medical education program that: 12 (1) Holds either its principal accreditation or a physical 13 location in Hawaii; and 14 (2) Provides education to students, of whom more than 15 fifty per cent are residents of Hawaii. (3) Provides education to students who are full time residence of Hawaii attending a distance or online Midwifery program"

Mahalo nui loa for your time and consideration
sincerely,
Charlene Kiana Rowley, BSN RN, SNM/SWHNP

HB-303

Submitted on: 1/27/2025 9:54:07 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robin Martin	Individual	Support	Written Testimony Only

Comments:

TESTIMONY IN STRONG SUPPORT OF H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in strong support of H.B. 303.

This measure seeks to:

1. Broaden the definition of "preceptor" to include more specialty providers who teach future primary care professionals.
2. Clarify the definition of "volunteer-based supervised clinical training rotation" regarding teaching time and preceptor compensation.
3. Expand eligibility for the Preceptor Tax Credit Program to include all specialties engaged in precepting, as well as physician assistants, social workers, and registered dieticians.

Enacted in 2018, Act 43 provided \$1.5 million in tax credits for preceptors of advanced practice registered nurses, physicians, and pharmacists to address the shortage of clinical education sites and preceptors. While the program has grown the preceptor base, expanding the eligible professions can further address critical healthcare workforce shortages.

As a board certified psychiatrist I have witnessed firsthand the critical role behavioral health plays in comprehensive primary care. Despite this, I was deemed ineligible for the tax credit because I train psychiatric mental health nurse practitioners (PMHNPs), medical students and residents rather than specifically primary care physicians, even though PMHNPs and psychiatrists address a broad range of health needs.

H.B. 303 would help address the bottleneck of clinical preceptorships by offering tax credits to incentivize preceptors. Since 2021, I have trained several medical students and residents without compensation. Despite receiving numerous inquiries from students, I am often forced to turn them away due to capacity constraints.

The need for behavioral health services in Hawai‘i is skyrocketing, particularly after COVID and the Lahaina fires. Delays in care for youth and adults—often several months—lead to worsening symptoms, academic and social failure, and increased suicide risk. Expanding the tax credit would allow more preceptors to train healthcare providers, helping students graduate and join the workforce, ultimately addressing the urgent need for timely access to care.

I respectfully urge the Committee to pass H.B. 303. Thank you for your commitment to improving Hawai'i's healthcare system and supporting local education and training initiatives.

Dr. Robin Martin



**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00AM
Conference Room 329 and videoconference**

By

**Katie Steinhelfer, APRN, pediatric nurse practitioner, family nurse
practitioner, and psychiatric mental health nurse practitioner
student**

Kahala Clinic for Children & Family

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee, thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, Dr. Bell does not ask for new or expanded appropriations to the tax credit program.

This measure, H.B. 303, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social work, and registered dietitians. The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

In 2018, the Hawai‘i Legislature enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse, 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. The tax credit program has successfully grown the preceptor base over time.

While the program is achieving the established goals there is room to grow.

Based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

Behavioral health is an integral part of comprehensive primary care

I completed the pediatric nurse practitioner program through the University of Hawaii in 2014, the family nurse practitioner program through the Hawaii Pacific University in 2024, and am in my last semester of the psychiatric mental health nurse practitioner program at the Hawaii Pacific University. As a primary care provider, I saw it pertinent to go back to school to enable my ability to best support our pediatric and adult patients with behavioral health needs within the primary care setting. As a pediatric and family nurse practitioner and future psychiatric mental health nurse practitioner (PMHNP), I firmly believe and have seen over the past eleven years of clinical practice, that behavioral health services are critically important to an individual's overall health and should be an integral part of providing comprehensive primary care.

Finding preceptors for my PMHNP has been nothing short of a nightmare, until I met Dr. Cathy Bell who was so willing to take me on as a student (and now a future employer). This past year I was informed that Dr. Cathy Bell did not meet the criteria for the Preceptor Tax Credit, despite being a pediatrician, because she was training PMHNP's, not primary care physicians. Other preceptors are demanding compensation directly from the student in order to precept, which was not the case for Dr. Cathy Bell. As psychiatric practitioners we address more than what's generally considered mental health. We evaluate and support child development, sleep/airway, school success, learning differences, family and peer relationships, and refer and collaborate with other professionals, such as pediatricians, medical specialists, dentists, speech therapists, occupational therapists, school teachers, and OG tutors to optimize the overall health of children and families. Many times, we are also the ones that support and motivate patients to work with their health care provider to manage their health conditions when they otherwise wouldn't.

I found these definitions of primary care:

- Primary care aims to provide accessible, comprehensive, and continuous healthcare to individuals and families, focusing on maintaining their health and well-being. It is considered the foundation of a healthcare system and plays a crucial role in early detection, prevention, and management of health issues.”

- Primary care refers to the initial and ongoing health care services provided by healthcare professionals. It encompasses a wide range of medical activities, including: preventive care, diagnostic care, treatment care, health education and counseling and coordination of care

HB303 helps students graduate and become part of the workforce

There are very few qualified preceptors in our state who have the interest and/or motivation in precepting students due to their competing professional, personal and financial demands. This tax credit will compensate health professionals for their time.

Summary

Given the skyrocketing need for behavioral health services in Hawaii especially following COVID and the Lahaina fires, the awareness and appreciation that behavioral health services are an integral part of comprehensive primary care, and the real bottleneck hindering students in graduating and entering the workforce, I respectfully ask the Committee to pass this measure through your committee. The clinicians in our office, like all other behavioral health clinicians in the state, are not able to provide timely access to services. For all patients, but especially for our youth, waiting 3-12 months or more for services risks worsening symptoms, academic and social failure, added stress, and risk of suicide. I thank your committee for its commitment to the people of Hawai'i and ensuring timely access to high-quality comprehensive primary care by supporting local healthcare education and training initiatives.

**Written Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025 at 10:00 AM
Conference Room 329 and videoconference
By
Ms. BJ Bartleson, MS, RN, NEA-BC, FAONL**

TESTIMONY IN STRONG SUPPORT on H.B. 303

Chair Gregg Takayama, Vice Chair Sue L. Keohokapu-Lee Loy, and members of the Committee:

As a Hawai'i RN Health Policy Consultant and nurse leader, I strongly support this bill related to the successful Healthcare Preceptor Tax Credit Program. Hawaii is one of only several states that have implemented this innovative program to increase the supply of healthcare providers, particularly in underserved or rural areas. It has established its goals and proven effective as a strong incentive for streamlining the healthcare education pipeline.

Since its inception through Act 43 in 2018, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurses, physicians, and pharmacists, the program has seen a steady increase in active preceptors with rotations that are alleviating the bottleneck within health education programs related to a shortage of clinical education sites and preceptors. This bill does not ask for new or expanded appropriations; however, it proposes to clarify the definition of preceptor to allow for a broader array of specialty providers, clarifies the meaning of volunteer-based supervised clinical training rotation, and provides amendments for the Preceptor Credit Assurance Committee to improve program administration and roles. The bill would increase the specialty to include physician assistants, social workers, and registered dietitians.

Thanks to the Hawai'i State Center for Nursing and the Preceptor Credit Assurance Committee for reviewing the current program performance and anticipated growth in tax credit allocations. They determined that available funding would support the proposed program's development. Again, this is another example of value based policy, improving outcomes without increasing costs.

Hawai'i's innovation and collaboration across the state to improve the availability of cost-effective healthcare providers is laudable, and I strongly support HB 303.

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

BJ Bartleson, MS, RN, NEA-BC, FAONL
Health Policy Consultant, BJB LLC
Empowering RNs through Advocacy
Bartlesonbj@gmail.com

HB-303

Submitted on: 1/28/2025 4:25:54 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brianna Susan Woods	Individual	Support	Written Testimony Only

Comments:

Dear Chair Takayama and Vice-Chair Keohokapu-Lee Loy,
 Thank you for the opportunity to provide testimony on HB303, which expands the definitions of preceptor and volunteer based supervised training rotations to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing “primary care” from the criteria to qualify as a preceptor. Adds dietitians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support.
 The Hawai‘i Academy of Physician Assistants (HAPA) STRONGLY SUPPORTS HB303. HAPA is the Hawai‘i state chapter of The American Academy of PAs. HAPA supports HB303 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai‘i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC. Additionally, the bill supports the clinical training requirements of PA, medical, and APRN students who must receive clinical training in a variety of clinical specialties as set by their respective national accreditation standards. Finally, this bill recognizes the importance of an interdisciplinary healthcare workforce by also including Social Workers and Dietitians and Social Work and Dietitian students in the PTC.

The Hawai‘i Academy of Physician Assistants recognizes that PA education in Hawai‘i is crucial for expanding the state's healthcare workforce. The establishment of the Hawai‘i Pacific University PA Program on O‘ahu, and the University of Washington MEDEX PA Program on Hawai‘i Island, further demonstrates a commitment to training PAs specifically prepared to serve Hawai‘i's communities. By supporting clinical preceptors who supervise PA training throughout the state, we can better ensure that PA graduates secure employment and encourage them to build long-term careers in Hawai‘i.
 Physicians Assistants (PAs) are state-licensed, nationally certified medical providers, who receive rigorous medical training modeled on medical school curriculum. PAs play a critical role on healthcare delivery teams, and along with their physician and APRN counterparts, help ensure the delivery of high-quality healthcare. Amidst a statewide physician shortage, PAs are successfully filling critical gaps in healthcare and reducing health disparities by expanding access to care for communities in Hawai‘i. PAs are found in every clinical setting and in every medical specialty and are authorized by the Affordable Care Act (ACA), along with physicians

and APRNs, to serve as primary care providers (PCP) for their patients.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you for the opportunity to provide testimony on this important healthcare workforce issue.

DATE: 1/28/2025

TO:

Chair Gregg Takayama

Vice Chair Sue L. Keohokapu-Lee Loy

Hearing Date/Time: 1/29/2025, 10:00 AM

Place: Hawaii State Capitol

RE: HB303 RELATING TO HEALTHCARE PRECEPTORS
(OR SB1070 RELATING TO HEALTHCARE PRECEPTORS)

Thank you for the opportunity to provide testimony on HB303 or SB1070, which expands the definitions of preceptor and volunteer-based supervised training rotations to improve accessibility for providers to receive income tax credits for acting as preceptors. This includes removing “primary care” from the criteria to qualify as a preceptor and adding dietitians, physician assistants (PAs), and social workers to the list of eligible preceptors and students. It also expands eligibility for the tax credit to include accredited residency programs that require preceptor support.

I am submitting testimony in support of HB303 or SB1070 because it includes physician assistants and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among physician assistant (PA) and advanced practice registered nurse (APRN) students of Hawai'i-based academic institutions, as well as equity among PA and APRN preceptors who voluntarily supervise clinical training rotations. Currently, only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

Additionally, the bill supports the clinical training requirements of PA, medical, and APRN students, who must receive clinical training in a variety of specialties as required by their respective national accreditation standards. This bill also recognizes the importance of an interdisciplinary healthcare workforce by including social workers, dietitians, and their respective students in the PTC program.

I have been a Physician Assistant for over 18 years, practicing in the military and several states. My specialties have included primary care medicine, aviation medicine, occupational medicine, emergency medicine, and trauma surgery. I completed the Army-Baylor PA doctoral residency in Emergency Medicine in 2013. I have also had the privilege of serving as a clinical coordinator for the military in-service physician assistant program (IPAP) affiliated with the University of Nebraska Medical Center.

Physician Assistants (PAs) are state-licensed, nationally certified medical providers who receive rigorous medical training modeled on medical school curricula. PAs play a critical role in healthcare delivery teams and, alongside their physician and APRN counterparts, help ensure the delivery of high-quality healthcare. Amidst a statewide physician shortage, PAs are successfully filling critical gaps in healthcare and reducing health disparities by expanding access to care for communities in Hawai'i. PAs are found in every clinical setting and specialty

and are authorized by the Affordable Care Act (ACA), along with physicians and APRNs, to serve as primary care providers (PCPs).

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit budget. The current cap on the tax credit is \$1.5 million per tax year. The program, as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 issued to Hawai'i's eligible preceptors since the program began in 2019. By expanding eligibility to include additional healthcare providers, these unused funds can be more effectively allocated to support a broader range of preceptors and students. Expanding this program ensures that these resources are maximized to benefit healthcare education, equality, and access.

Thank you for the opportunity to provide testimony on this important healthcare workforce issue.

Brian Panganiban, D.Sc, MPAS, PA-C

Emergency Medicine Physician Assistant

Captain, US Army (retired)

HB-303

Submitted on: 1/28/2025 4:49:56 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Emily Callaway	Individual	Support	Written Testimony Only

Comments:

Dear Chair Takayama and Vice-Chair Keohokapu-Lee Loy,

Thank you for the opportunity to provide testimony on HB303, which expands the definitions of preceptor and volunteer based supervised training rotations to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing “primary care” from the criteria to qualify as a preceptor. Adds dietitians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support. The Hawai‘i Academy of Physician Assistants (HAPA) STRONGLY SUPPORTS HB303. HAPA is the Hawai‘i state chapter of The American Academy of PAs. HAPA supports HB303 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai‘i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC. Additionally, the bill supports the clinical training requirements of PA, medical, and APRN students who must receive clinical training in a variety of clinical specialties as set by their respective national accreditation standards. Finally, this bill recognizes the importance of an interdisciplinary healthcare workforce by also including Social Workers and Dietitians and Social Work and Dietician students in the PTC. The Hawai‘i Academy of Physician Assistants recognizes that PA education in Hawai‘i is crucial for expanding the state's healthcare workforce. The establishment of the Hawai‘i Pacific University PA Program on O‘ahu, and the University of Washington MEDEX PA Program on Hawai‘i Island, further demonstrates a commitment to training PAs specifically prepared to serve Hawai‘i's communities. By supporting clinical preceptors who supervise PA training throughout the state, we can better ensure that PA graduates secure employment and encourage them to build long-term careers in Hawai‘i. Physician Assistants (PAs) are state-licensed, nationally certified medical providers, who receive rigorous medical training modeled on medical school curriculum. PAs play a critical role on healthcare delivery teams, and along with their physician and APRN counterparts, help ensure the delivery of high-quality healthcare. Amidst a statewide physician shortage, PAs are successfully filling critical gaps in healthcare and reducing health disparities by expanding access to care for communities in Hawai‘i. PAs are found in every clinical setting and in every medical specialty and are authorized by the Affordable Care Act (ACA), along with physicians and APRNs, to serve as primary care providers (PCP) for their patients. It is important to note that the proposed revisions to the PTC will not result in an

increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access. Thank you for the opportunity to provide testimony on this important healthcare workforce issue. Sincerely,

Emily Callaway, PA-C

HB-303

Submitted on: 1/28/2025 5:29:13 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Crisafi	Individual	Support	Written Testimony Only

Comments:

I am writing in strong support of HB303, which seeks to include Physician Assistants (PAs) in the healthcare preceptor tax credit program. As a practicing PA for 10 years and a dedicated preceptor for the last 4 years, I have seen firsthand the increasing challenges faced by PA students in securing core clinical rotations, particularly in fields like General Surgery.

During my own time as a PA student, I vividly recall the difficulties in arranging rotations, a problem that seems to have only worsened with the rise of PA programs across the country. Speaking with my students today, it's clear that securing preceptors is still a major obstacle—one that has only intensified as more PA programs graduate more students than ever before.

As a General Surgery PA, I have helped many students complete their core surgical rotations, a critical requirement for graduation. However, I have also heard countless stories from students desperately searching for preceptors to fulfill these essential requirements. This burden on students is preventable, and offering the healthcare preceptor tax credit to PAs is a key step toward alleviating it.

By including PAs in this tax credit, we would incentivize more preceptors to accept students, ultimately reducing the stress on students who should be focusing on their studies, not scrambling to find preceptors. Furthermore, it is puzzling that PAs have been excluded from this benefit, especially when both MDs and APRNs already have access to this program. PAs, like MDs and APRNs, are integral to the education and training of our future healthcare providers, and we deserve to be included in this valuable incentive.

I urge you to consider the positive impact that extending the healthcare preceptor tax credit to PAs would have on the education of our healthcare workforce. Thank you for your time and attention to this important matter.

Jacqueline M. Crisafi PA-C

HB-303

Submitted on: 1/28/2025 6:09:35 PM

Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wailua Brandman	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT