

ACT 262

S.B. NO. 1404

A Bill for an Act Relating to Loan Repayment for Health Care Professionals.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that many Hawaii residents are unable to obtain timely and appropriate health care due to shortages of primary health care providers in the State. These shortages not only threaten individual health but also cumulatively affect the State's health care costs. Rural areas of Hawaii, which have been designated by the federal government as medically underserved areas, have been most significantly affected by shortages of primary and behavioral health care providers. Social workers, marriage and family therapists, and nurses are also urgently needed.

In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path that provides sufficient income to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized areas of care in urban areas rather than in general practice on the neighbor islands or in rural areas, where the need is greatest. The legislature further finds that counties in the United States with robust primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to the development of a strong primary health care workforce.

The only loan repayment program currently available in the State is administered by the John A. Burns school of medicine at the University of Hawaii at Manoa. This program leverages private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps of the Department of Health and Human Services. Since September 1, 2012, the loan repayment program has supported forty-two recipients in exchange for work in underserved geographic and practice areas in Hawaii. Currently, health care professionals who have benefited from the loan repayment program serve the communities of Waianae, Hilo, and Wailuku; at health clinics in Kalihi-Palama Health Center, Queen Emma Clinic, and Waikiki Health Center; and in public institutional settings at the Federal Detention Center in Honolulu and the Halawa correctional facility.

The legislature recognizes the considerable public outcomes achieved from the general funds allocated in each year of the 2017-2019 biennium to educate, train, and facilitate health care professionals to work in underserved areas. At this time, the loan repayment program supports twenty-four providers in Hawaii.

The purpose of this Act is to appropriate funds to the department of health to fund the health care provider loan repayment program administered through the John A. Burns school of medicine to provide loan repayment for physicians, physician assistants, psychologists, nurse practitioners, social workers, marriage and family therapists, and nurses who agree to work in a federally-designated health professional shortage area or in a geographic area of Hawaii found to be underserved.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the health care provider loan repayment program; provided that no funds shall be released unless matched on a dollar-for-dollar basis by funds from a private or another public source.

The sum appropriated shall be expended by the department of health in coordination with the John A. Burns school of medicine at the University of Hawaii at Manoa for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019.

(Approved July 5, 2019.)