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**A BILL FOR AN ACT**

RELATING TO EMERGENCY AEROMEDICAL SERVICES.

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

1           SECTION 1. The legislature finds that most rural  
2 communities have fewer healthcare resources compared to  
3 residents on Oahu, including access to advanced levels of trauma  
4 care, medical specialists, and sub-specialists. This puts  
5 patients in these underserved areas at greater risk of poor  
6 outcomes for serious medical conditions such as heart attack,  
7 stroke, and traumatic bodily injury.

8           The existing system of interisland transport of patients  
9 for healthcare services is overburdened. The State is currently  
10 served by only one interisland aeromedical provider, for which  
11 there are few viable and cost-effective alternatives in the  
12 event of a grounding, for example, due to maintenance issues or  
13 crew availability. Emergency aeromedical services are not  
14 available for many patients in rural counties.

15           Therefore, the legislature further finds that such  
16 disruptions to interisland medical transports pose a risk to  
17 human health and safety, and that the consistent availability of

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1 interisland medical transport and the overall resiliency of  
2 emergency aeromedical services must be improved.

3 One model may be based on the county of Maui's medevac  
4 service. Act 213, Session Laws of Hawaii 2007, appropriated  
5 general funds for the purchase of a helicopter for the county of  
6 Maui emergency aeromedical services program, established in  
7 2003, which is currently equipped with a twin-engine helicopter  
8 capable of medical transport between Maui and Oahu. The  
9 department of health cost shares the helicopter with the county  
10 of Maui. The department bills for services and private sector  
11 entities are contracted to provide the pilots, aircraft  
12 maintenance technicians, and the medical flight staff.

13 The legislature finds that reliable aeromedical transport  
14 is essential. The Maui model is suitable to meet the needs of  
15 the State.

16 Therefore, the purpose of this Act is to ensure the  
17 availability of air ambulance services through an emergency  
18 aeromedical services program with the department of health and  
19 in cooperation with rural counties.

20 SECTION 2. Chapter 321, Hawaii Revised Statutes, is  
21 amended by adding to part XVIII a new section to be  
22 appropriately designated and to read as follows:

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1           " §321- State emergency aeromedical services partnership  
2 program; established. (a) The department shall establish,  
3 administer, and maintain, in cooperation with each county in the  
4 state emergency medical services system service area, an  
5 emergency aeromedical services partnership program. The  
6 department shall consult with the advisory committee pursuant to  
7 section 321-225 to implement this section.

8           (b) The department shall enter into a memorandum of  
9 agreement with the county of Kauai, the county of Maui, and the  
10 county of Hawaii to implement and maintain an emergency  
11 aeromedical services partnership program. At a minimum, each  
12 memorandum of agreement shall define responsibilities as  
13 follows:

14           (1) The department shall provide funds for the provision  
15 and maintenance of the rotary-wing aircraft;

16           (2) The counties shall provide funds for the operations of  
17 the rotary-wing aircraft, including flight crew and  
18 medical staff; and

19           (3) The State and counties shall identify and document  
20 applicable federal regulations and jurisdictions, and  
21 shall amend the memorandum of agreement as necessary.

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1       (c) The county of Kauai, the county of Maui, and the  
2 county of Hawaii shall submit to the department all necessary  
3 information for purposes of submitting claims for third-party  
4 reimbursement within thirty days of the service for any  
5 emergency aeromedical services provided. Funds received from  
6 reimbursements shall be deposited into the emergency medical  
7 services special fund, pursuant to section 321-234.

8       (d) The department shall establish statewide standards for  
9 the emergency aeromedical services partnership program  
10 consistent with this part and applicable federal regulations for  
11 those services.

12       (e) The director of health may adopt rules pursuant to  
13 chapter 91 to effectuate the purposes of this section.

14       (f) No later than January 4, 2026, the department shall  
15 adopt interim rules, which shall be exempt from chapter 91 and  
16 chapter 201M, to effectuate the purposes of this section;  
17 provided that the interim rules shall remain in effect until  
18 July 1, 2028, or until rules are adopted pursuant to subsection  
19 (e), whichever occurs sooner.

20       (g) The department may amend the interim rules, and the  
21 amendments shall be exempt from chapters 91 and 201M, to  
22 effectuate the purposes of this chapter; provided that any

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1 amended interim rules shall remain in effect until July 1, 2028,  
2 or until rules are adopted pursuant to subsection (e), whichever  
3 occurs sooner."

4 SECTION 3. Section 321-232, Hawaii Revised Statutes, is  
5 amended by amending subsection (a) to read as follows:

6 "(a) The department shall establish reasonable fees for  
7 services rendered to the public within the service area by the  
8 department, any county within the service area, or private  
9 agency under this part; provided that all revenues collected by  
10 the department and the respective counties pursuant to this  
11 section shall be deposited into the state general fund, except  
12 [~~amounts~~]:

13 (1) Amounts necessary to provide for collection services  
14 for bad debt accounts[-]; and

15 (2) Revenues collected for emergency aeromedical services  
16 pursuant to section 321-234(c).

17 Fees required to be set by this section shall be established in  
18 accordance with chapter 91."

19 SECTION 4. Section 321-234, Hawaii Revised Statutes, is  
20 amended by amending subsections (b) and (c) to read as follows:

21 "(b) The moneys in the special fund shall be distributed  
22 as follows:

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- 1           (1) Beginning with fiscal year 2021-2022, \$3,500,000 shall  
2           be distributed each fiscal year to a county operating  
3           a county emergency medical services system pursuant to  
4           part XI of chapter 46 for the operation of that  
5           system; [~~and~~]
- 6           (2) The remainder shall be distributed to the department  
7           for operating the system established pursuant to this  
8           chapter, including enhanced and expanded services, and  
9           shall not be used to supplant funding for emergency  
10          medical services authorized prior to July 1, 2004[-];  
11          and
- 12          (3) Each quarter, the deposits from reimbursements for  
13          emergency aeromedical services for the previous  
14          quarter shall be disbursed to the counties in the  
15          service area as follows:
- 16                (A) Fifty per cent divided equally; and  
17                (B) Fifty per cent divided proportionately based on  
18                the billed amount submitted by each county.
- 19          (c) Fees remitted pursuant to section 249-31, cigarette  
20          tax revenues designated under section 245-15, interest and  
21          investment earnings attributable to the moneys in the special  
22          fund, legislative appropriations, and grants, donations, [~~and~~]

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1 contributions from private or public sources for the purposes of  
2 the fund, and revenues collected for emergency aeromedical  
3 services, shall be deposited into the special fund."

4 SECTION 5. There is appropriated out of the general  
5 revenues of the State of Hawaii the sum of \$18,000,000 or so  
6 much thereof as may be necessary for fiscal year 2024-2025 to be  
7 deposited into the emergency medical services special fund.

8 SECTION 6. There is appropriated out of the emergency  
9 medical services special fund the sum of \$18,000,000 or so much  
10 thereof as may be necessary for fiscal year 2024-2025 for the  
11 establishment of the emergency aeromedical services partnership  
12 program.

13 The sum appropriated shall be expended by the department of  
14 health for the purposes of this Act.

15 SECTION 7. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 8. This Act, upon its approval, shall take effect  
18 on July 1, 2024.

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INTRODUCED BY: \_\_\_\_\_



21

BY REQUEST  
JAN 2 '2 2024

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**Report Title:**

Emergency Aeromedical Services Partnership Program; Established;  
DOH; Appropriation

**Description:**

Establishes an Emergency Aeromedical Services Partnership Program to be administered by the Department of Health in counties with a population less than 500,000. Requires cost-sharing for program operations and maintenance and revenue sharing between the State and the County of Hawaii, the County of Kauai, and the County of Maui. Authorizes deposits into the Emergency Medical Services Special Fund. Requires rulemaking.

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

JUSTIFICATION SHEET

DEPARTMENT: Health

TITLE: A BILL FOR AN ACT RELATING TO EMERGENCY AEROMEDICAL SERVICES.

PURPOSE: To establish an emergency aeromedical services program within the Department of Health to ensure greater access to aeromedical transport for patients; require a memorandum of agreement between the State and the County of Kauai, the County of Maui, and the County of Hawaii to implement and maintain the program; and share revenues from reimbursement with participating counties.

MEANS: Add a new section to part XVIII of chapter 321, Hawaii Revised Statutes (HRS), amend section 321-232(a), HRS, and amend section 321-234(b) and (c), HRS.

JUSTIFICATION: Most rural communities have fewer healthcare resources compared to residents on Oahu, including the advanced levels of trauma care, medical specialists, and sub-specialists. This is aggravated by inadequate access to affordable and immediate interisland medical transport due to the lack of emergency aeromedical services providers based in the County of Kauai and the County of Hawaii. A service similar to the partnership between the State and the County of Maui to provide emergency aeromedical services that supplements existing services provided by the private sector will improve access.

Impact on the public: This bill will provide improved access to medical care for serious conditions such as heart attack, stroke, traumatic bodily injury, and other conditions for which local health care providers are unable to sufficiently treat due to remote location or inadequate medical resources.

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Impact on the department and other agencies:  
The Department of Health is required to promulgate administrative rules to establish standards for the emergency aeromedical services partnership program. The County of Kauai, the County of Maui, and the County of Hawaii are required to provide funds for operations, including flight crew and medical staff.

GENERAL FUND: \$18,000,000.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HTH 730.

OTHER AFFECTED  
AGENCIES: County of Kauai, County of Maui, and County of Hawaii.

EFFECTIVE DATE: July 1, 2024.