

JAN 20 2023

A BILL FOR AN ACT

RELATING TO HEALTHCARE PRECEPTORS.

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

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

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



1 trained eligible students, but only a small subset met the
2 eligibility requirements due to the primary care qualifying
3 criterion for the preceptor.

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

18 Therefore, the purpose of this Act is to:

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



1 improve accessibility for providers to receive income
2 tax credits for acting as preceptors;

3 (2) Add physician assistants, social workers, and
4 registered dietitians to the list of preceptors;
5 provided that any recognized preceptor may train any
6 eligible student to become eligible for the preceptor
7 tax credit;

8 (3) Include physician assistant, registered dietitian and
9 social worker students in the definition of eligible
10 students; and

11 (4) Revise the membership of the preceptor credit
12 assurance committee to include the director of health.

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

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

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

18 (1) Holds either its principal accreditation or a physical
19 location in Hawaii; and

20 (2) Provides education to students, of whom more than
21 fifty per cent are residents of Hawaii.



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

6 "Eligible professional degree or training certificate"
7 means a degree or certificate that fulfills a requirement to be
8 a physician, ~~[or]~~ osteopathic physician, or physician assistant,
9 pursuant to chapter 453 ~~[7]~~; an advanced practice registered
10 nurse, pursuant to chapter 457 ~~[7-~~or~~]~~; a pharmacist, pursuant to
11 chapter 461 ~~[7]~~; a registered dietician pursuant to 448B, or
12 social worker, pursuant to chapter 467E.

13 "Eligible student" means an advanced practice registered
14 nurse student, medical student, ~~[or]~~ pharmacy student, physician
15 assistant student, registered dietician student, or social work
16 student, who is enrolled in an academic program.

17 "Medical student" means an individual participating in a
18 nationally accredited academic program leading to the medical
19 doctor or doctor of osteopathy degree. "Medical student"
20 includes graduates from nationally accredited academic programs
21 who have continued their training, in the role of resident or



1 fellow, to obtain the additional qualifications needed for
2 medical licensure, pursuant to chapter 453, or specialty
3 certification.

4 "Nationally accredited" means holding an institutional
5 accreditation by name to offer post-secondary medical primary
6 care education. Accreditation for medical students shall be
7 offered by the Liaison Committee on Medical Education or
8 American Osteopathic Association Commission on Osteopathic
9 College Accreditation. Accreditation for advanced practice
10 registered nurse students shall be offered by the Commission on
11 Collegiate Nursing Education. Accreditation for pharmacy
12 students shall be offered by the Accreditation Council for
13 Pharmacy Education. Accreditation for physician assistant
14 students shall be offered by the Accreditation Review Commission
15 on Education for the Physician Assistant, Inc. Accreditation
16 for social work students shall be offered by the Council on
17 Social Work Education. Accreditation for registered dietician
18 students shall be offered by the Accreditation Council for
19 Education in Nutrition and Dietetics.

20 "Pharmacy student" means an individual participating in an
21 academic program that is nationally accredited for the training



1 of individuals to become registered pharmacists pursuant to
2 chapter 461.

3 "Physician assistant student" means an individual
4 participating in an academic program that is nationally
5 accredited for the education of physician assistants to become a
6 nationally certified and licensed physician assistant pursuant
7 to section 453-5.3.

8 "Preceptor" means a physician ~~[or]~~, osteopathic physician
9 or physician assistant, licensed pursuant to chapter 453~~[-]~~; an
10 advanced practice registered nurse, licensed pursuant to chapter
11 457~~[-]~~; registered dietician, licensed pursuant to 448B, social
12 worker, licensed pursuant to chapter 467E, or a pharmacist,
13 licensed pursuant to chapter 461, who is a resident of Hawaii
14 ~~[and who]~~, maintains a professional ~~[primary care]~~ practice in
15 ~~[this]~~ the State[-], and whose specialty supports the
16 development and training of an eligible student in primary care.

17 "Primary care" means the principal point of continuing care
18 for patients provided by a healthcare provider, including health
19 promotion, disease prevention, health maintenance, counseling,
20 patient education, diagnosis and treatment of acute and chronic



1 illnesses, and coordination of other specialist care that the
2 patient may need.

3 "Registered dietitian student" means an individual
4 participating in an academic program that is nationally
5 accredited for the training of individuals to become licensed
6 registered dietitians pursuant to chapter 448B.

7 "Social work student" means an individual participating in
8 an academic program that is nationally accredited for the
9 training of individuals to become a social worker licensed
10 pursuant to chapter 467E.

11 "Volunteer-based supervised clinical training rotation"
12 means ~~[an-uncompensated]~~ a period of supervised clinical
13 training [of] to an eligible student that totals at least eighty
14 hours of supervisory time annually, in which a preceptor
15 provides personalized instruction, training, and supervision to
16 an eligible student to enable the eligible student to obtain an
17 eligible professional degree or training certificate[-];
18 provided that, while a preceptor may be compensated for
19 providing standard clinical services, the preceptor shall be:



- 1 (1) Uncompensated for the clinical training above or
- 2 beyond clinical salary or reimbursements for clinical
- 3 services; or
- 4 (2) Uncompensated for the provision of clinical training
- 5 services from tuition funds or from state general
- 6 funds."

7 SECTION 3. Section 321-2.7, Hawaii Revised Statutes, is
 8 amended to read as follows:

9 "~~§~~321-2.7~~{}]~~ **Preceptor credit assurance committee.** (a)
 10 There is established the preceptor credit assurance committee
 11 within the department of health. The committee shall develop
 12 and implement a plan for certifying healthcare preceptor tax
 13 credits under section 235-110.25, including:

- 14 (1) Developing a process ensuring that requests for credit
- 15 certification are reviewed and verifications are
- 16 processed no later than ~~[thirty]~~ sixty days following
- 17 the close of each calendar year; and
- 18 (2) Developing the documentation process for the committee
- 19 to certify a preceptor for the tax credit; provided
- 20 that the documentation to be collected shall include:



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

2 (1) The director of health, or the director's designee;

3 and

4 (2) Representatives of:

5 [~~1~~] (A) The Hawaii/Pacific basin area health education
6 center;

7 [~~2~~] (B) The center for nursing; and

8 [~~3~~] (C) Academic programs with eligible students.

9 (c) Members of the committee shall be immune from civil
10 liability for any official act, decision, or omission performed
11 for the purpose for which the committee was established, except
12 for any acts, decisions, or omissions that constitute gross
13 negligence or wilful misconduct.

14 (d) The proceedings of the committee shall not be subject
15 to part I of chapter 92.

16 (e) As used in this section, "academic program", "eligible
17 student", "preceptor", "primary care", and "volunteer-based
18 supervised clinical training rotation" shall have the same
19 meanings as in section 235-110.25."

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



S.B. NO. 439

1 SECTION 5. This Act shall take effect on July 1, 2023;
2 provided that section 2 of this Act shall apply to taxable years
3 beginning after December 31, 2022.

4

INTRODUCED BY:

A handwritten signature in black ink, appearing to be 'JBL', is written over a horizontal line that extends to the right.

S.B. NO. 439

Report Title:

Preceptors; Healthcare Preceptor Tax Credit; Preceptor Credit Assurance Committee

Description:

Amends the definition of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for providers to receive income tax credits for acting as preceptors. Includes the Director of Health as a member of the Preceptor Credit Assurance Committee.

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