



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

**Testimony in SUPPORT of HB82
RELATING TO HEALTH CARE PRECEPTORS.**

REP. DELLA BELATTI, CHAIR
HOUSE COMMITTEE ON HEALTH & HOMELESSNESS

Hearing Date: February 1, 2023

Room Number: 329

1 **Fiscal Implications:** N/A.

2 **Department Testimony:** The Department of Health (DOH) supports programs that encourage
3 careers in health care, and recognizes that mentorship by experienced clinicians is a key aspect of
4 training. DOH has overseen the health care preceptor tax credit program since its enactment in
5 2018 and results are encouraging.

6 HB82's focus on primary care is laudable, but the department prefers HB1450 Relating to
7 Healthcare Preceptors, which does not restrict preceptors to those whose specialty supports
8 primary care and expands the program beyond licensed physicians, advanced practice registered
9 nurses, and pharmacists. This greater flexibility will permit the program to respond to
10 individualized needs of specific communities.

11 The department takes no position on amendments to subsection (b), deferring to the Department
12 of Taxation.

13 **Offered Amendments:** N/A but recommend adoption of wording in HB1450.

14

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
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR OF TAXATION

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 82, Relating to Health Care Preceptors

BEFORE THE:

House Committee on Health and Homelessness

DATE: Wednesday, February 1, 2023

TIME: 8:30 a.m.

LOCATION: State Capitol, Room 329

Chair Au Belatti, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.B. 82 for your consideration.

H.B. 82 seeks to: (1) clarify that a preceptor may be compensated through their clinical salary for providing standard clinical services, delineating those services from the volunteer-based supervised clinical training rotation that is applicable to this credit; (2) amend the definition of "preceptor" to include specialty providers who support the development and training of students in primary care; and (3) amend the preceptor credit assurance committee to include the Director of Health or the director's designee.

The measure is effective upon approval and applies to taxable years beginning after December 31, 2022.

The Department is able to administer the bill with its current effective date.

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



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 & Homelessness
Wednesday, February 1, 2023 at 8:30 a.m.

By

Lee Buenconsejo-Lum, Acting 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

Bonnie Irwin, Chancellor
University of Hawai'i at Hilo

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

HB 82 – RELATING TO HEALTH CARE PRECEPTORS

Chair Belatti, Vice Chair Takenouchi, and Members of the Committee:

This testimony is presented on behalf of UH System, including John A. Burns School of Medicine (JABSOM), UH Mānoa Nancy Atmospera-Walch School of Nursing (NAWSON), 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 82 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. HB 82 clarifies 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. However, the measure does not encompass all the changes to the law that the Preceptor Tax Credit Assurance Committee (Committee) worked on during 2022 and reached consensus upon. Accordingly, we request that the language of HB 82 be replaced with the language contained in HB 1450 as HB 1450 fully details the changes to the program the Committee seeks. Doing so would strengthen the preceptor tax credit program by:

1. Improving accessibility for providers to receive income tax credits for acting as preceptors;
2. Adding physician assistants, social workers, and licensed dieticians to the list of preceptors as these providers are invaluable to the training of future health care professionals and reflects Hawaii's interprofessional training philosophy; and

3. Including physician assistant, dietitian, and social worker students in the definition of eligible students who are also an integral part of the overall health care system.

In 2017, NAWSON 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 HB 82 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 longstanding support of the state healthcare workforce development and healthcare education in Hawai'i.

COMMITTEE ON HEALTH & HOMELESSNESS

Rep. Della Au Belatti, Chair

Rep. Jenna Takenouchi, Vice Chair

Wednesday, February 1, 2023 – 8:30am

Testimony in Support for HB82 RELATING TO RELATING TO HEALTH CARE PRECEPTORS

The National Association of Social Workers – Hawai'i (NASW- HI) supports HB82, which would expand eligibility for the health care preceptor tax credit; however, **we prefer the language in HB1450**, also referred to your committee, which goes further to add social workers to the list of preceptors and eligible students to qualify for the tax credit.

Thank you for the opportunity to provide this testimony in support.

Sincerely,

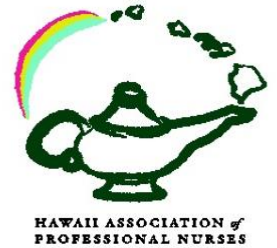
, MSW, LCSW

Sonja Bigalke-Bannan, MSW, LCSW

Executive Director,

National Association of Social Workers- Hawai'i Chapter

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Della Au Belatti, Chair of
the House Committee on Health & Homelessness

From: Hawaii Association of Professional Nurses (HAPN)

Subject: HB82 – Relating to Health Care Preceptors; in Support

Hearing: February 1, 2023, 8:30a.m.

Aloha Representative Belatti, Chair; Representative Takenouchi, Vice Chair; and Committee Members,

Thank you for the opportunity to submit testimony regarding HB82. HAPN is in **strong support** of this measure. This measure will broaden the array of specialists who contribute to the education and development of Hawaii's future healthcare providers. This measure also clarifies the definition of "volunteer-based supervised clinical training rotation". This is related to both time spent teaching students and what constitutes compensation for precepting, and amends the Preceptor Credit Assurance Committee to improve administration and roles.

This measure is supported by a wide coalition of community, academic entities, and students and HAPN joins in the support for this bill. Our interest is to ensure that all APRNs who participate in the education and training of Hawaii's APRN students experience the same benefits as a result of precepting students and mentoring them while they continue their education.

APRNs have played an important role in the healthcare of our communities and have a vast base of knowledge and experience that we can share with tomorrow's new professionals. While precepting students is important, it is also something that takes time. Sharing with these preceptors these benefits could ensure that more preceptors are available to help train our students. This will in turn improve access to care for all patients as we have competent providers in our communities providing much needed care.

HAPN's mission, to be the voice of APRNs in Hawaii, has been the guiding force that propelled us to spearhead the advancement of patients' access to healthcare as well as supporting the recognition of the scope of practice for APRNs in Hawaii which led us to full practice authority. We have worked to improve the physical and mental health of our communities.

Thank you for the opportunity to share the perspective of HAPN with your committee. Thank you for your enduring support of the nursing profession in the Aloha State.

Respectfully,
Dr. Jeremy Creekmore, APRN
HAPN President

Dr. Bradley Kuo, APRN
HAPN Legislative Committee, Chair
HAPN Past President



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376
www.hawaiimedicalassociation.org

HOUSE COMMITTEE ON HEALTH & HOMELESSNESS

Representative Della Au Belatti, Chair

Representative Jenna Takenouchi, Vice Chair

Date: February 1, 2023

From: Hawaii Medical Association

Beth England MD, Co-Chair, HMA Public Policy Committee

Re: HB 82 Relating to Health Preceptors

Position: Support

Clinical preceptors are an integral part of medical education, providing real-world expertise and hands-on experience to future physicians. Working with local clinical preceptors encourages trainees to remain in Hawaii once their training is complete. HMA strongly supports all efforts to address physician provider education and our critical Hawaii physician shortage.

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

References and Quick Links:

Reichardt L, Withy K. PCAC Annual Report 2021. PreceptorTaxCred.hawaii.edu

http://preceptortaxcredit.hawaii.edu/wp-content/uploads/2022/11/PCAC-Annual-report-2021_FINAL.pdf

HMA OFFICERS

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**Written Testimony Presented Before the House
Committee on Health & Homelessness
Wednesday, February 1, 2023 at 8:30 AM
Room 329 and via 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 HB 82

Chair Belatti, Vice Chair Takenouchi, and members of the House Committee on Health & Homelessness, thank you for the opportunity to testify in **strong support of this measure with recommended amendments to adopt the language in HB 1450**. By way of this measure, the Hawai'i State Center for Nursing (the Center) does not ask for new or expanded appropriations to the tax credit program.

This measure, **HB 82**, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, to clarify the definition of "volunteer-based supervised clinical training rotation" related to both time spent teaching students and what constitutes compensation for precepting, and amends the Preceptor Credit Assurance Committee to improve administration and roles.

In 2018, the Hawai'i Legislature, in their great wisdom, enacted Act 43, which authorized and funded \$1.5 million in tax credits, annually for five years, 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. Though the tax credits were secured for five years, fewer advanced practiced registered nurses, physicians, and pharmacists are eligible for the tax credit than the number that are actually teaching our local students.

In 2019, this program allocated 371 tax credits (\$371K) to 181 preceptors, and in 2020, 368 tax credits (\$368K) to 185 preceptors despite nearly double the amount of rotations recorded into the tax credit record system. 2021 secured 559 tax credits (\$559K) for 253 preceptors. For 2022, 636 (\$636K) tax credits were issued to 298 preceptors.

While the program is achieving the established goals, the number of preceptors who were eligible for tax credits and met all criteria to earn the tax credit are consistently less than the total APRNs, physicians, and pharmacists on record who provide voluntary clinical teaching or express interest in teaching.

The main barriers identified were 1) uncertainty about what uncompensated for precepting means and 2) specializing in a supportive role to primary care, not primary care itself. These preceptors add value and depth to the education and experience for the healthcare students they support. Upon analysis of the total rotations, improving access will not exceed the total available funds allocated to this program.

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development; promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.

Additionally, the Hawai'i State Center for Nursing requests the committee's favorable consideration of adopting the bill contents as they appear in HB 1450 to include additional professions. As one of the two administering organizations of the Preceptor Tax Credit program, the Center and Preceptor Credit Assurance Committee have 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 still 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 need, 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 **HB 82 with amendments**, 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 for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development; promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.



**Testimony to the House Committee on Health and Homelessness
Wednesday, February 1, 2023; 8:30 a.m.
State Capitol; Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 0082, RELATING TO HEALTH CARE PRECEPTORS.

Chair Belatti, Vice Chair Takenouchi, 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. 0082, RELATING TO HEALTH CARE 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.

This measure, as received by your Committee, would:

- (1) Clarify the limits of when a preceptor may be compensated for the provision of standard clinical services while providing a volunteer-based supervised clinical training rotation;
- (2) Specify that the definition of "preceptor" includes specialty providers who support the development and training of students in primary care; and
- (3) Change the membership of the Preceptor Credit Assurance Committee to include the Director of Health.

This bill would also take effect upon approval and apply to taxable years beginning after December 31, 2022.

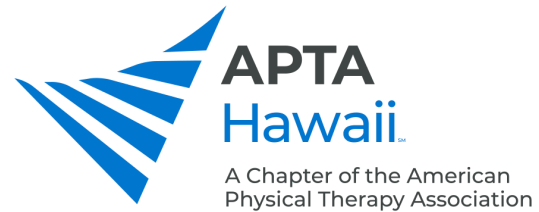
Testimony on House Bill No. 0082
Wednesday, February 1, 2023; 8:30 a.m.
Page 2

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.



HB82, RELATING TO HEALTH CARE PRECEPTORS
Hse HLT Hearing
Wednesday, February 1, 2023 - 8:30 AM
Room 329 VIA VIDEOCONFERENCE
Position: Comments

Dear Chair Belatti and House HLT Committee Members:

On behalf of the Hawaii Chapter of the American Physical Therapy Association (APTA Hawaii) previously known as HAPTA, we support with comments on HB82, which would give health care providers such as physicians, nurse practitioners, and pharmacists tax credits for being preceptors of primary care health care provider students.

In Hawaii, there has been a shortage of primary care health care providers, yet in many states physical therapists can be utilized as primary care providers. This is not to discount the fact that Hawaii is a direct access state for physical therapy. However, the role of the physical therapist is still being hidden behind the curtain of bills like HB82 that omit other health care providers that should be accepted into this role.

Recently, Hawai'i has established a physical therapy doctorate program at Hawai'i Pacific University (HPU), the first and only one of its kind in the state. Over the past decade, physical therapy schools have been proven to be a strict progression of didactic and clinical internships that mimics medical schools and other doctoral level health care provider training, not to exclude the role of primary care.

As APTA Hawaii President and adjunct faculty of the Doctor of Physical Therapy (DPT) program at HPU, I am motivated to help physical therapists in this state earn a level of respect that mirrors our physician, nurse practitioner, and pharmacist counterparts. This can start with changing HB82 to include physical therapists and other health care providers that are potential providers of primary care services to be included as health care preceptors for students that are constantly learning in our clinics, hospital floors, nursing homes, schools, and private practices. Physical therapists are extensively trained in differential diagnosis, prognosis, and

conservative treatments of neuro-musculoskeletal disorders, while our counterparts focus their studies on systemic diseases and pharmacological interventions.

The leading cause of people seeking medical care usually comes down to a condition revolving around pain symptoms. The majority of pain symptoms are usually from a neuro-musculoskeletal source. Therefore, utilizing physical therapists as the musculoskeletal experts should be an expectation in the changing world of health care today.

I believe that this bill should pass, but it should also include physical therapists and other health care providers that share in the primary care role in clinical practice within the State of Hawaii.

If you have any questions or concerns, feel free to contact me via email president.apta.hawaii@gmail.com or phone 808-546-0937.

Thank you for your time and consideration,

Dr. Nicholas Bronowski, PT

President - APTA Hawaii

Clinical Specialist in Orthopaedic Physical Therapy

Adjunct Faculty - Hawai'i Pacific University - Doctor of Physical Therapy Program

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Expand eligibility for the health care preceptor credit

BILL NUMBER: HB 82

INTRODUCED BY: KAPELA, COCHRAN, GANADEN, HUSSEY-BURDICK, KILA, LOWEN, MARTEN, PERRUSO, POEPOE, TODD, WARD, Chun, Tam

EXECUTIVE SUMMARY: 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. Includes the director of health on the preceptor credit assurance committee.

SYNOPSIS: Amends section 235-110.25, HRS, by clarifying that a taxpayer who is a preceptor may be compensated for providing standard clinical services, provided that the taxpayer shall be uncompensated for the volunteer-based supervised clinical training rotation: (1) above or beyond clinical salary or reimbursements for clinical services; or (2) from tuition funds or state general funds.

Also amends the definition of “preceptor” to require that a preceptor’s specialty supports the development and training of an eligible student in primary care.

Adds the director of health or designee to the preceptor credit assurance committee.

Makes other technical and conforming amendments.

EFFECTIVE DATE: Taxable years beginning after December 31, 2022.

STAFF COMMENTS: The credit for healthcare preceptors was added by Act 43, SLH 2018. This act requires the department of health to evaluate the efficacy of this credit and report to the 2024 legislature.

The bill appears to make technical changes in the law and does not appear to have significant revenue impact.

Digested: 1/28/2023

January 30, 2023

TO: Representative Della Au Belatti, Chair
Representative Jenna Takenouchi, Vice Chair
House Committee on Health & Homelessness

RE: Testimony in support of HB82, AND a request to add language from HB1450, Relating to Healthcare Preceptors

HRG: 1 Feb 2023, 0830, House Conference Room 329 via Videoconference

Dear Chair Belatti, Vice Chair Takenouchi, and Members of the Committee

I am writing this letter **in support of HB82**, Relating to Health Care Preceptors. I respectfully ask the committee to **also consider changes to this bill to reflect the interdisciplinary expansion of preceptor eligibility, which is written into HB1450**. In the fall of 2022, the Preceptor Tax Credit Assurance Committee worked on a bill to expand the Preceptor tax credit to include physician assistants (PAs), social workers, and registered dietitians (RDs), which is reflected in HB1450

It is well known that Hawai'i is facing a critical shortage of health care providers throughout the state. Furthermore, students in Hawai'i who are interested in pursuing a career in healthcare often must leave the state in order to pursue their clinical education due to lack of clinical sites and limited number of clinical preceptors. Therefore, programs like the Preceptor Tax Credit to support providers who volunteer their time to train the next generation of healthcare providers are crucial. The Preceptor Tax Credit Program has demonstrated positive outcomes with a 76% increase in the number of clinical provider registrations into the program between 2019-2021. With new programs emerging such the the Hawai'i Pacific University PA program, and the need to improve the interdisciplinary healthcare workforce, **expanding the preceptor tax credit to include PAs, social workers, and RDs has been proposed and submitted in HB1450**.

The purpose of HB82 to expand the definition of a preceptor in the Preceptor Tax Credit Program to include specialty providers is also supported for PAs, social workers, and RD. I can speak directly to the importance of including specialty providers in preparing PA students for the primary care workforce. Primary care practice is complex and requires a PA to utilize clinical reasoning skills with a comprehensive system-based approach to health and disease. Exposure to in-depth comprehensive training across a range of medical specialties is required for PA students to reach this level of skill. This is also enforced by accreditation standards. For example, the Accreditation Review Commission on the Education of the Physician Assistant (ARC-PA) requires PA students to have clinical education experiences in seven core areas: family medicine, internal medicine/inpatient, pediatrics, OBGYN, behavioral health, emergency medicine and general surgery. These are requirements, and not simply suggestions, in order for PA students to fulfill PA graduate primary care based competencies and be eligible to sit for the national certification exam.

In summary, **this testimony is in support of HB82** to include specialties that support the development and training of students in primary care, **AND to encourage the committee to pass this bill with the language in HB1450** that expands the definition of preceptor **to include physician assistants, social workers, and registered dieticians.**

Mahalo for your time and consideration. I am grateful for the opportunity to provide testimony on this important proposal to expand the support of clinical education for health professional students in Hawai'i. I am happy to answer any questions you may have and can be reached at iconlon@hpu.edu

Sincerely,



Leocadia P. Conlon, PhD, MPH, PA-C
Associate Professor and Program Director
Physician Assistant Program
iconlon@hpu.edu

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Health & Homelessness
The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair

February 1, 2023
8:30 a.m.
Via Videoconference
Conference Room 329

Re: HB 82, Relating to Healthcare Preceptors

Chair Belatti, Vice Chair Takenouchi, and committee members, thank you for this opportunity to provide testimony on HB 82, which expands the 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.

Kaiser Permanente Hawai‘i SUPPORTS HB 82.

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 269,000 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 1.4 million people living in the communities we serve.

Kaiser Permanente Hawai‘i supports HB 82 because it would expand the definition of “preceptor” to acknowledge the many medical specialists that 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 care providers and specialist providers. In 2022, our preceptors supported over 219 individual rotations in internal medicine, family medicine, pediatrics, obstetrics and gynecology, geriatrics, continuing care, and sports medicine. In addition, our preceptors supported over 100 rotations throughout inpatient nursing.

Since the enactment of Act 43, Session Laws of Hawai‘i 2018, fewer advanced practiced registered nurses, physicians and pharmacists are eligible for the tax credit than the number that are teaching our local students.

We concur with amendments being requested by the University of Hawaii, which is consistent with language from HB 1450.

Mahalo for the opportunity to testify on this important measure.

Wednesday, February 1, 2023 at 8:30AM
Via Video Conference; Conference Room 329

House Committee on Health & Homelessness

To: Representative Della Belatti, Chair
Representative Jenna Takenouchi, Vice Chair

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

**Re: Testimony in Support of HB 82
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 82 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.

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. The inclusion of additional health care providers who can act as preceptors and the addition of other categories of health care students as reflected in HB 1450 will expand the program and allow for enhanced training opportunities to grow our workforce.

Additionally, clarifying the definition of the form of compensation allowable enables more healthcare providers to act as preceptors.

Thank you for the opportunity to testify.



THE QUEEN'S HEALTH SYSTEM

To: The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair
Members, House Committee on Health & Homelessness

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

Date: February 1, 2023

Re: Testimony in support of HB82: Relating to Health Care Preceptors

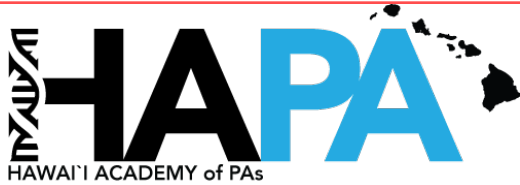
The Queen's Health System (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health 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** HB 82, 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 106 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 in support of HB 82.

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.



TO: House Committee on Health & Homelessness
Rep. Della Au Belatti, Chair
Rep. Jenna Takenouchi, Vice Chair

Hearing Date/Time: Wednesday, February 1, 2023 8:30 a.m.

Place: Conference Room 329 & Videoconference State Capitol

Re: HB82, Relating to Healthcare Preceptors

Dear Chair Belatti, Vice Chair Takenouchi, and Committee Members,

Thank you for the opportunity to provide testimony on HB82, which seeks to expand the definition of a preceptor in the Preceptor Tax Credit Program to include specialty providers.

Hawai'i Academy of Physician Assistants (HAPA) SUPPORTS HB82 AND requests to add language from HB1450

HAPA is the Hawaii state chapter of The American Academy of Physician Assistants.

HAPA is **in support of HB82**, but respectfully requests that the committee **consider changes to this bill that reflect the interdisciplinary expansion of preceptor eligibility, which is written into HB1450**. In the fall of 2022, the Preceptor Tax Credit Assurance Committee worked on a bill to expand the Preceptor tax credit to include physician assistants, social workers, and registered dietitians, which is reflected in HB1450

It is well known that Hawai'i is facing a critical shortage of health care providers throughout the state. Furthermore, students in Hawai'i who are interested in pursuing a career in healthcare often must leave the state in order to pursue their clinical education due to lack of clinical sites and limited number of clinical preceptors. Therefore, programs like the Preceptor Tax Credit to support providers who volunteer their time to train the next generation of healthcare providers are crucial. The Preceptor Tax Credit Program has demonstrated positive outcomes with a 76% increase in the number of clinical provider registrations into the program between 2019-2021. With new physician assistant programs emerging such the the Hawai'i Pacific University program, and the need to improve the interdisciplinary healthcare workforce, **expanding the preceptor tax credit to include physician assistants, social workers, and registered dietitians has been proposed and submitted in HB1450**.

The purpose of HB82 is to expand the definition of a preceptor in the Preceptor Tax Credit Program to include specialty providers **is also supported for physician assistants, social workers, and registered dietitians**. Primary care practice is complex and requires a physician assistant to utilize clinical reasoning skills with a comprehensive system-based approach to health and disease.



Physician assistants are authorized by the Affordable Care Act, along with physicians and APRNs, to serve as primary care provider (PCP). Physician assistants receive rigorous medical training modeled on medical school curriculum which includes rotations in family medicine, internal medicine, general surgery, pediatrics, obstetrics and gynecology, emergency medicine, psychiatry, and other specialty electives. Physician assistant training programs typically require thousands of hours of previous clinical care experience before matriculation is even considered.

In summary, HAPA supports HB82, to include specialties that support the development and training of students in primary care, AND to encourage the committee to pass this bill with the language in HB1450 that expands the definition of preceptor to include physician assistants, social workers, and registered dietitians.

Thank you for the opportunity to testify in support of this important legislation.

Sincerely,

Hawai'i Academy of Physician Assistants (HAPA)

HB-82

Submitted on: 1/30/2023 7:06:50 PM

Testimony for HLT on 2/1/2023 8:30:00 AM

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

Comments:

while I support this bill I believe we also have a mental health problem in our state with not enough mental health providers willing to live and work here due to the high cost of living and high taxes. Hawaii island and Kauai are especially hard hit in the area of mental health. This bill should be amended to include preceptors of psychiatric mental health students as well as primary care students. There is NO HEALTH without Mental Health.

Representative Ryan Yamane, Chair
Representative Adrian Tam, Vice Chair
Health, Human Services and Homelessness Committee

Wednesday, February 1, 2023

Dana Monday DNP APRN-Rx PMHNP-BC
PMHNP Track Coordinator
Chaminade University of Honolulu

TESTIMONY IN SUPPORT of H.B. 82

Thank you for the opportunity to testify in **support of this measure**. This measure can help to provide critical mental health care for the residents of Hawai'i. However, I would voice support of the preferred language in HB 1450 as well as kindly request to add the language "future primary care and behavioral health" providers instead of only specifying primary care providers.

As a psychiatric provider and track coordinator for the Psychiatric Mental Health Nurse Practitioner program at Chaminade University, I strongly support H.B. 82 with the preferred language of HB 1450. In the original legislation that H.B. 82 and 1450 seek to amend (Act 43), lawmakers provide an innovative and desperately needed incentive for current clinicians to provide learning opportunities for the next generation. This program, although successful, is incomplete. By only allowing a narrow definition of "primary care providers" the original legislation excluded vitally important psychiatric providers and students from its benefits.

The need for psychiatric care providers continues to outpace the demand in Hawaii. In 2019, the Hawai'i Physician Workforce Assessment Project note a 22% shortage of psychiatrists in Hawai'i. This will only worsen in coming years as the Association of American Medical Colleges (2019) notes that over 60% of American psychiatrists are over the age of 55, compared with under 45% of all physicians.

COVID-19 has changed the landscape of mental health care drastically by sparking a sharp increase in demand. Kaiser Family Foundation (2021) note that there was a nearly four-fold increase in adults who reported symptoms of a depressive or anxiety disorder from 2019 to 2021. Anecdotally, I can attest that many psychiatric providers are not accepting new clients or have waiting lists that they did not have pre-pandemic.

Hawai'i also enjoys the good fortune of hosting new Psychiatric Mental Health Nurse Practitioner programs at local universities. This will surely help to fill the need for qualified, competent psychiatric providers. However, voluntary clinical preceptors are a critical component of these programs. COVID-19 provides a disincentive for clinical preceptors in mental health care due to increased logistical challenges. Therefore, a tax incentive is greatly needed to attract more qualified preceptors for these programs.

In conclusion, I strongly support H.B. 82 with preferred language of HB 1450 and urge that psychiatry providers and students be included in the expanded definition. Thank you for the opportunity to testify.