

JAN 21 2022

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# A BILL FOR AN ACT

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RELATING TO HEALTH.

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

1       SECTION 1. The legislature finds that many Hawaii  
2 residents are unable to obtain timely and appropriate healthcare  
3 and behavioral healthcare due to shortages of primary,  
4 specialty, and behavioral care providers. Vulnerable residents,  
5 including the elderly, and rural residents experience even  
6 greater barriers to provider access. These barriers include  
7 issues relating to fixed or limited financial resources, lack of  
8 physical mobility or other disabilities, cognitive impairment,  
9 transportation, and a lack of readily accessible physicians and  
10 other healthcare providers.

11       Telehealth is a viable solution to maximize existing local  
12 resources and increase patient convenience and compliance.  
13 However, the best available data indicates that the use of  
14 telehealth is limited in the State. No more than fifteen per  
15 cent of practicing providers in the State report a telehealth  
16 experience, even though the State has among the most progressive  
17 telehealth laws in the nation.



1 Preliminary findings from the 2017 State Telehealth Summit  
2 confirm that provider comfort and patient expectations are the  
3 most significant barriers to greater telehealth adoption.  
4 Department of health research, including direct observation of  
5 strong telehealth programs in other jurisdictions, reveals that  
6 staff support is needed to ensure that both the patient and  
7 technology are situated correctly for a telehealth encounter.  
8 Ideally, staff support should be situated at both the provider's  
9 and the patient's location. Support staff for the patient,  
10 however, is critical when the patient is in a non-traditional  
11 healthcare setting, including a home, community center, or  
12 school.

13 The legislature believes that establishing a telehealth  
14 pilot project will expose the State's healthcare providers and  
15 patients to the benefits of telehealth, increase provider  
16 adoption of telehealth, support healthcare workforce development  
17 related to telehealth, and evaluate the clinical and  
18 administrative efficacy of various telehealth delivery models.  
19 The legislature also believes that establishing a rural  
20 healthcare pilot project to pay an availability fee to eligible  
21 providers servicing rural areas will help to encourage providers



1 to prioritize these rural areas. In turn, an increase in  
2 provider prioritization of these rural areas will increase rural  
3 residents' access to previously less than accessible medical  
4 specialties.

5 Accordingly, the purpose of this Act is to establish and  
6 fund telehealth and rural healthcare pilot projects.

7 SECTION 2. (a) The department of health shall implement a  
8 telehealth pilot project.

9 (b) The telehealth pilot project shall:

10 (1) Assist residents at two distinct project sites, both  
11 of which shall have a medically underserved area  
12 designation by the United States Department of Health  
13 and Human Services; provided that one site shall be  
14 located in a rural county and the other site shall be  
15 located in an urban county;

16 (2) Utilize telehealth as the primary means to deliver  
17 healthcare; and

18 (3) Include at least one federally qualified health center  
19 or rural health clinic in each project site.

20 (c) Within six months of the exhaustion of all telehealth  
21 pilot project funds, the department of health shall make



1 available to the public an evaluation report on telehealth pilot  
2 project outcomes, including the quality of care, patient  
3 satisfaction, training and workforce development issues, and  
4 financial sustainability of telehealth activities.

5 (d) Chapters 103D and 103F, Hawaii Revised Statutes, shall  
6 not apply to procurements made pursuant to this Act for a period  
7 of twelve months following the effective date of this Act;  
8 provided that the department of health shall only obtain goods  
9 and services for the telehealth pilot project:

10 (1) In a manner that is cost-effective and provides the  
11 most benefit to the telehealth pilot program on  
12 contractual terms that are most advantageous to the  
13 State; and

14 (2) If the execution period of all procurements does not  
15 exceed the term of the telehealth pilot project.

16 SECTION 3. (a) The department of health shall implement  
17 and administer a rural healthcare pilot project.

18 (b) The rural healthcare pilot project shall:

19 (1) Assist residents in three distinct rural areas, one  
20 each on the islands of Maui, Molokai, and Lanai;



1 provided that the area selected on the island of Maui  
2 shall be in the Hana district;

3 (2) Pay a \$250 availability fee to each licensed physician  
4 providing healthcare services in one or more of the  
5 areas selected pursuant to subsection (1); provided  
6 that each physician shall practice in a medical  
7 specialty that is difficult for rural residents to  
8 access, including but not limited to cardiology,  
9 gastroenterology, endocrinology, dermatology, and  
10 nephrology; provided further that the availability fee  
11 shall be separate from, and in addition to, any  
12 charges billed by the physician; and

13 (3) Reimburse each eligible physician for any costs that  
14 the physician deems necessary to provide in-person  
15 healthcare services to patients in the areas selected  
16 pursuant to subsection (1), including airfare and  
17 lodging costs and a per diem.

18 (c) The department of health may contract with eligible  
19 physicians and hospitals, including but not limited to those  
20 within the Hawaii Pacific Health, Queen's Health Systems, and



1 Kaiser Permanente networks, to carry out the rural healthcare  
2 pilot project.

3 SECTION 4. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ or so much  
5 thereof as may be necessary for fiscal year 2022-2023 for the  
6 telehealth and rural healthcare pilot projects established  
7 pursuant to this Act.

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

10 SECTION 5. This Act shall take effect on July 1, 2022.

11  
INTRODUCED BY:

Lynn DeCorte



# S.B. NO. 2624

**Report Title:**

DOH; Telehealth; Rural Healthcare; Pilot Projects; Appropriation

**Description:**

Requires the Department of Health to implement a telehealth pilot project and publish an evaluation report on the telehealth pilot project outcomes. Exempts the telehealth pilot project from the Hawaii Public Procurement Code for a period of 12 months. Clarifies that the period of performance of all procurements made during this temporary exemption shall not exceed the term of the telehealth pilot project. Requires the Department of Health to implement and administer a rural healthcare pilot project to provide physicians serving selected rural areas with an availability fee and reimbursements for certain expenses.

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

