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# A BILL FOR AN ACT

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 health  
3 care and behavioral health care 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 health care 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 health care setting, including a home, community center, or  
12 school.

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



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

4 Accordingly, the purpose of this Act is to establish and  
5 fund telehealth and rural health care pilot projects.

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

8 (b) The telehealth pilot project shall:

9 (1) Assist residents at two distinct project sites, both  
10 of which shall have a medically underserved area  
11 designation by the United States Department of Health  
12 and Human Services; provided that one site shall be  
13 located in a county with a population of less than  
14 five hundred thousand and the other site shall be  
15 located in a county with a population of more than  
16 five hundred thousand;

17 (2) Utilize telehealth as the primary means to deliver  
18 health care; and

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



1 (c) Within six months of the exhaustion of all telehealth  
2 pilot project funds, the department of health shall make  
3 available to the public an evaluation report on telehealth pilot  
4 project outcomes, including the quality of care, patient  
5 satisfaction, training and workforce development issues, and  
6 financial sustainability of telehealth activities.

7 (d) Chapters 103D and 103F, Hawaii Revised Statutes, shall  
8 not apply to procurements made pursuant to this Act for a period  
9 of twelve months following the effective date of this Act;  
10 provided that the department of health shall only obtain goods  
11 and services for the telehealth pilot project in a manner that  
12 is cost-effective and provides the most benefit to the  
13 telehealth pilot program on contractual terms that are most  
14 advantageous to the State; and provided further that the  
15 execution period of all procurements does not exceed the term of  
16 the telehealth pilot project.

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

19 (b) The rural health care pilot project shall:

20 (1) Assist residents in three distinct rural areas, one  
21 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 contracted  
4 licensed physician or nurse practitioner providing  
5 health care services in one or more of the areas  
6 selected pursuant to subsection (1); provided that  
7 each physician or nurse practitioner shall practice in  
8 a specialty that is difficult for rural residents to  
9 access, including but not limited to cardiology,  
10 gastroenterology, endocrinology, dermatology, and  
11 nephrology; provided further that the availability fee  
12 shall be separate from, and in addition to, any  
13 charges billed by the physician or nurse practitioner;  
14 and

15 (3) Reimburse each contracted physician or nurse  
16 practitioner for any costs that the physician or nurse  
17 practitioner deems necessary to provide in-person  
18 health care services to patients in the areas selected  
19 pursuant to subsection (1), including airfare and  
20 lodging costs and a per diem.



1 (c) The department of health shall contract with eligible  
2 physicians and hospitals, including but not limited to those  
3 within the networks of Hawaii Pacific Health, The Queen's Health  
4 Systems, and Kaiser Permanente, to carry out the rural health  
5 care pilot project.

6 SECTION 4. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$ or so  
8 much thereof as may be necessary for fiscal year 2022-2023 for  
9 the telehealth pilot project established pursuant to section 2  
10 of this Act.

11 The sum appropriated shall be expended by the department of  
12 health for the purposes of section 2 of this Act.

13 SECTION 5. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$ or so  
15 much thereof as may be necessary for fiscal year 2022-2023 for  
16 the rural health care pilot project established pursuant to  
17 section 3 of this Act.

18 The sum appropriated shall be expended by the department of  
19 health for the purposes of section 3 of this Act.

20 SECTION 6. This Act shall take effect on July 1, 2022.



**Report Title:**

DOH; Telehealth; Rural Health Care; 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 health care pilot project to provide physicians and nurse practitioners serving selected rural areas with an availability fee and reimbursements for certain expenses. Appropriates funds to support the pilot projects. (SD1)

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

