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# A BILL FOR AN ACT

RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

**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 due to shortages of primary and behavioral health care  
4 professionals in the State. These shortages not only threaten  
5 individual health, but the entire State's health care system.  
6 Areas of Hawaii that have been designated by the federal  
7 government as medically underserved have been most significantly  
8 affected by shortages of primary and behavioral health care  
9 professionals, including physicians, nurse practitioners,  
10 physician assistants, and psychologists. Social workers,  
11 marriage and family therapists, and registered nurses are also  
12 urgently needed in these areas.

13           In many cases, the increasingly high cost of education for  
14 health care professionals binds graduates to a career path that  
15 provides sufficient income to repay often exorbitant student  
16 loans. These career paths frequently lead to professional  
17 practice in highly specialized fields of care in urban areas,



1 rather than in general practice on the neighbor islands or in  
2 underserved areas in the State where the need is greatest. The  
3 legislature further finds that states with robust primary health  
4 care systems have lower costs and improved patient outcomes.  
5 Recognizing this correlation, many states have made the policy  
6 decision to dedicate public funds to the development of a strong  
7 primary health care workforce for underserved areas.

8 The legislature also finds that the Hawaii state loan  
9 repayment program administered by the John A. Burns school of  
10 medicine of the University of Hawaii at Manoa has been  
11 successful at providing loan repayment to sixty-two individuals,  
12 with eighty-three per cent remaining in Hawaii and seventy per  
13 cent remaining at the site where they performed their service.  
14 This program leverages public funds and private donations to  
15 access matching federal funds through the National Health  
16 Service Corps State Loan Repayment Program of the United States  
17 Department of Health and Human Services. Since September 1,  
18 2012, the loan repayment program has supported sixty-two  
19 recipients in exchange for work commitments in underserved  
20 geographic practice areas in Hawaii. Currently, health care  
21 professionals who have benefited from the loan repayment program



1 serve on all islands and in the communities of Hilo, Kihei,  
2 Waianae, Wailuku, and Waimea; at health clinics in Kalihi-Palama  
3 and Kokua Kalihi Valley; and in public institutional settings at  
4 the federal detention center in Honolulu, Halawa correctional  
5 facility, and Maui County correctional center.

6 The legislature recognizes the considerable positive public  
7 outcomes achieved using general fund allocations during the  
8 2017-2018 biennium and fiscal year 2019-2020 to educate, train,  
9 and facilitate health care professionals to work in underserved  
10 areas. Currently, the loan repayment program supports  
11 twenty-eight health care professionals in Hawaii.

12 The purpose of this Act is to appropriate funds to the  
13 department of health to fund the Hawaii state loan repayment  
14 program administered through the John A. Burns school of  
15 medicine of the University of Hawaii at Manoa to provide loan  
16 repayment for physicians, nurse practitioners, physician  
17 assistants, psychologists, licensed clinical social workers,  
18 psychiatric nurse specialists, licensed professional counselors,  
19 marriage and family therapists, registered nurses, and certified  
20 alcohol and substance abuse counselors who agree to work in a  
21 federally-designated health professional shortage area.



1 SECTION 2. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$500,000 or so much  
3 thereof as may be necessary for fiscal year 2022-2023 for the  
4 Hawaii state loan repayment program administered through the  
5 John A. Burns school of medicine of the University of Hawaii at  
6 Manoa; provided that no funds shall be released unless matched  
7 on a dollar-for-dollar basis by funds from a private or another  
8 public source.

9 The sum appropriated shall be expended by the department of  
10 health in coordination with the John A. Burns school of medicine  
11 of the University of Hawaii at Manoa for the purposes of this  
12 Act.

13 SECTION 3. This Act shall take effect on July 1, 2022.

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



# S.B. NO. 2597

**Report Title:**

Hawaii State Loan Repayment Program; Health Care Professionals;  
John A. Burns School of Medicine; Appropriation

**Description:**

Appropriates funds for the Hawaii state loan repayment program administered through the John A. Burns school of medicine, subject to a matching funds requirement.

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

