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

13 The purpose of the existing healthcare preceptor income tax
14 credit is to incentivize volunteer preceptors to offer
15 professional instruction, training, and supervision to students
16 and residents seeking careers as health care providers in the
17 State. The legislature further finds that although many



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

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

17 Therefore, the purpose of this Act is to:

- 18 (1) Amend the definitions of "preceptor" and
19 "volunteer-based supervised clinical training
20 rotation" to improve accessibility for providers to
21 receive income tax credits for acting as preceptors;



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

6 (3) Include physician assistant students, dietitian
7 students, and social work students in the definition
8 of "eligible student"; and

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

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

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

14 "Academic program" means an academic degree granting
15 program or graduate medical education program that:

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

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

20 "Advanced practice registered nurse student" means an
21 individual participating in a nationally accredited academic



1 program that is for the education of advanced practice
2 registered nurses and recognized by the state board of nursing
3 pursuant to chapter 457.

4 "Behavioral health care" means the principal point of
5 continuing care for patients provided by a mental health care
6 provider, including health promotion, disease prevention, health
7 maintenance, counseling, patient education, diagnosis and
8 treatment of mental health conditions, and coordination of other
9 specialist care that the patient may need.

10 "Dietician student" means an individual participating in an
11 academic program that is nationally accredited for the training
12 of individuals to become licensed dieticians pursuant to chapter
13 448B.

14 "Eligible professional degree or training certificate"
15 means a degree or certificate that fulfills a requirement to be
16 a physician [~~or~~], osteopathic physician, or physician assistant,
17 pursuant to chapter 453[~~7~~]; an advanced practice registered
18 nurse, pursuant to chapter 457[~~7-or~~]; a pharmacist, pursuant to
19 chapter 461[~~7~~]; a dietician, pursuant to 448B; or a social
20 worker, pursuant to chapter 467E.



1 "Eligible student" means an advanced practice registered
2 nurse student, medical student, [~~or~~] pharmacy student, physician
3 assistant student, dietician student, or social work student,
4 who is enrolled in an academic program.

5 "Medical student" means an individual participating in a
6 nationally accredited academic program leading to the medical
7 doctor or doctor of osteopathy degree. "Medical student"
8 includes graduates from nationally accredited academic programs
9 who have continued their training, in the role of resident or
10 fellow, to obtain the additional qualifications needed for
11 medical licensure, pursuant to chapter 453, or specialty
12 certification.

13 "Nationally accredited" means holding an institutional
14 accreditation by name to offer post-secondary medical primary
15 care education. Accreditation for medical students shall be
16 offered by the Liaison Committee on Medical Education or
17 American Osteopathic Association Commission on Osteopathic
18 College Accreditation. Accreditation for advanced practice
19 registered nurse students shall be offered by the Commission on
20 Collegiate Nursing Education. Accreditation for pharmacy
21 students shall be offered by the Accreditation Council for



1 Pharmacy Education. Accreditation for physician assistant
2 students shall be offered by the Accreditation Review Commission
3 on Education for the Physician Assistant, Inc. Accreditation
4 for social work students shall be offered by the Council on
5 Social Work Education. Accreditation for dietician students
6 shall be offered by the Accreditation Council for Education in
7 Nutrition and Dietetics.

8 "Pharmacy student" means an individual participating in an
9 academic program that is nationally accredited for the training
10 of individuals to become registered pharmacists pursuant to
11 chapter 461.

12 "Physician assistant student" means an individual
13 participating in an academic program that is nationally
14 accredited for the education of physician assistants to become a
15 nationally certified and licensed physician assistant pursuant
16 to section 453-5.3.

17 "Preceptor" means a physician [~~or~~], osteopathic physician,
18 or physician assistant, licensed pursuant to chapter 453[7]; an
19 advanced practice registered nurse, licensed pursuant to chapter
20 457[7]; a licensed dietician, licensed pursuant to 448B; a
21 social worker, licensed pursuant to chapter 467E; or a



1 pharmacist, licensed pursuant to chapter 461, who is a resident
2 of Hawaii [~~and who~~], maintains a professional [~~primary care~~]
3 practice in [~~this~~] the State[-], and whose specialty supports
4 the development and training of an eligible student in primary
5 care or behavioral health care.

6 "Primary care" means the principal point of continuing care
7 for patients provided by a healthcare provider, including health
8 promotion, disease prevention, health maintenance, counseling,
9 patient education, diagnosis and treatment of acute and chronic
10 illnesses, and coordination of other specialist care that the
11 patient may need.

12 "Social work student" means an individual participating in
13 an academic program that is nationally accredited for the
14 training of individuals to become a social worker licensed
15 pursuant to chapter 467E.

16 "Volunteer-based supervised clinical training rotation"
17 means [~~an uncompensated~~] a period of supervised clinical
18 training [~~of~~] to an eligible student that totals at least eighty
19 hours of supervisory time annually, in which a preceptor
20 provides personalized instruction, training, and supervision to
21 an eligible student to enable the eligible student to obtain an



1 eligible professional degree or training certificate[-];
2 provided that, while a preceptor may be compensated for
3 providing standard clinical services, the preceptor shall be:

4 (1) Uncompensated for the clinical training above or
5 beyond clinical salary or reimbursements for clinical
6 services; or

7 (2) Uncompensated for the provision of clinical training
8 services from tuition funds or from state general
9 funds."

10 SECTION 3. Section 321-2.7, Hawaii Revised Statutes, is
11 amended as follows:

12 1. By amending subsections (a) and (b) to read:

13 "(a) There is established the preceptor credit assurance
14 committee within the department of health. The committee shall
15 develop and implement a plan for certifying healthcare preceptor
16 tax credits under section 235-110.25, including:

17 (1) Developing a process ensuring that requests for credit
18 certification are reviewed and verifications are
19 processed no later than thirty days following the
20 close of each calendar year; and



- 1 (2) Developing the documentation process for the committee
2 to certify a preceptor for the tax credit; provided
3 that the documentation to be collected shall include:
4 (A) The preceptor's name, address, place of practice,
5 and Hawaii provider license number;
6 (B) Dates and hours of volunteer-based supervised
7 clinical training rotation per eligible student;
8 (C) Attestation that the preceptor is uncompensated
9 for the volunteer-based supervised clinical
10 training rotation; ~~and~~ provided that, if the
11 preceptor is compensated for providing standard
12 clinical services, attestation that the preceptor
13 is:
14 (i) Uncompensated for the clinical training
15 above or beyond clinical salary or
16 reimbursements for clinical services; or
17 (ii) Uncompensated for the provision of clinical
18 training services from tuition funds or from
19 state general funds;



1 (D) Itemized specialties that support the development
2 and training of the eligible student in primary
3 care or behavioral health care; and

4 [~~(D)~~] (E) Other information deemed necessary by the
5 committee.

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

8 (1) [~~The Hawaii/Pacific basin area health education~~
9 ~~center;~~] The director of health or the director's
10 designee; and

11 (2) [~~The center for nursing; and~~] Representatives of:

12 (A) The Hawaii/Pacific basin area health education
13 center;

14 (B) The center for nursing; and

15 (C) Academic programs with eligible students.

16 [~~(3) Academic programs with eligible students.] "~~

17 2. By amending subsection (e) to read:

18 "(e) As used in this section, "academic program",
19 "behavioral health care", "eligible student", "preceptor",
20 "primary care", and "volunteer-based supervised clinical



1 training rotation" shall have the same meanings as in
2 section 235-110.25."

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

5 SECTION 5. This Act shall take effect on December 31,
6 3000; provided that section 2 of this Act shall apply to taxable
7 years beginning after December 31, 2023.



Report Title:

Healthcare Preceptors; Preceptor Tax Credit

Description:

Amends the preceptor tax credit law to expand access to the program and to make it easier for preceptors to access tax credits under the program. Adds the Director of Health to the preceptor credit assurance committee. Effective 12/31/3000.
(HD1)

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