Testimony of the Board of Nursing

Before the
Senate Committee on Health and Human Services
Friday, January 10, 2023
1:00 p.m.
Conference Room 225 and Videoconference

On the following measure: S.B. 63, RELATING TO NURSES

Chair San Buenaventura and Members of the Committee:

My name is Chelsea Fukunaga, and I am the Executive Officer of the Board of Nursing (Board). The Board supports this bill.

The purposes of this bill are to: (1) allow the Board of Nursing to issue temporary permits to registered nurses and practical nurses licensed in another jurisdiction under certain circumstances; and (2) excepts from license requirements nurses who are licensed in another state, territory, or country accompanying a patient from out-of-state for a period of less than two weeks and not employed or affiliated with a health care facility in the State.

The Board supports this measure, which is similar to its administrative bill, S.B. 1322. This bill will assist, but not solve, the severe nursing shortage for health care entities in this State by allowing the Board to issue a temporary permit to out-of-state registered nurses and licensed practical nurses to work temporarily in an approved health care entity without having to apply for a permanent nurse license. This would also provide nurse-applicants who choose to apply for a permanent license the ability to practice nursing while their applications are being processed.

Nurses play a major role in the care of patients, but more so during the COVID pandemic that resulted in further reduction of the nursing workforce, including but not limited due to burn-out. Nurses have either retired or have left the nursing profession. In addition, due to the shortage of nursing faculty, nursing programs have had to limit their enrollment of nursing students resulting in a drop of nursing graduates to address the nursing shortage.

Additionally, this bill exempts from the license requirements, nurses who travel to the State with a patient or patients for a period of less than two weeks and who are not Testimony of the Board of Nursing S.B. 63 Page 2 of 2

employed or affiliated with a health care entity such as nurses on school trips or accompanying Make-A-Wish patients.

Lastly, to assist the Department of Commerce and Consumer Affairs' Professional and Vocational Licensing Division (Division) with implementation, this bill requests one full-time permanent office assistant and a general fund appropriation to fund the position. On average the Division receives between 160 nurse applications a week. The additional position and funding for the position will ensure the implementation of this bill.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

SYLVIA LUKELIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKUʻĀINA 'O HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA 'OIHANA PILI KĀLEPA

NADINE Y. ANDO DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMADEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809

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Testimony of the Department of Commerce and Consumer Affairs

Before the Senate Committee on Health and Human Services Friday, February 10, 2023 1:00 p.m.

On the following measure: S.B. 63, RELATING TO NURSES

Chair San Buenaventura and Members of the Committee:

My name is Esther Brown, and I am the Complaints and Enforcement Officer of the Regulated Industries Complaints Office (RICO), which is an agency within the Department of Commerce and Consumer Affairs. RICO is charged with enforcing the licensing laws of various professional and trade industries in the State through the receipt, investigation and prosecution of, in this case, licensees who fall within the purview of the Hawaii Board of Nursing (BON). RICO defers to and supports the position of the Hawaii Board of Nursing (BON) with respect to the measure's policy, administration and implementation. RICO offers comments on provisions that could directly impact RICO's enforcement authority, practices and/or daily operations.

The purpose of the bill is to authorize the Hawaii BON to issue temporary permits for 6-month periods to practical nurses and registered nurses who hold valid licenses in other states, including multistate nursing licenses, and who meet certain criteria such as Testimony of DCCA (Regulated Industries Complaints Office) S.B. 63 Page 2 of 2

completion of an application, payment of a fee, fingerprinting and a criminal records check.

The measure addresses the key issues for effective administration and enforcement, such as (a) notification to the board of presence in the state through the application process (page 1, lines 7-8; page 2, lines 6-7), (b) imposition of fees for the privilege to practice in our State, which also funds and defrays the cost of administration and enforcement (page 1, lines 9-10; page 2, lines 8-9), and (c) limiting the duration of the temporary license to, in this case, six-months (page 3, lines 5-10). The limited duration for licensure protects consumers by requiring those licensees, who wish to extend their privilege to practice here, to periodically represent and provide proof to the BON that they are competent and credible still. Finally, the measure does not compel the BON or RICO to ignore state law respecting the privacy rights of licensees under investigation for fitness to practice or the confidentiality of patient treatment records.

Thank you for the opportunity to testify on this bill.



Written Testimony Presented Before the Senate Committee on Health and Human Services Friday, February 10, 2023 at 1:00 P.M. Room 225 and via videoconference by Laura Reichhardt, APRN, AGPCNP-BC Director, Hawai'i State Center for Nursing University of Hawai'i at Mānoa

TESTIMONY IN SUPPORT of S.B. 63

Chair San Buenaventura, Vice Chair Aquino, and members of the Senate Committee on Health and Human Services, thank you for the opportunity to testify in support of S.B. 63 with recommended amendments.

This measure allows the Board of Nursing to issue temporary permits to registered nurses and practical nurses in another jurisdiction under certain circumstances, and excepts from license requirements nurses who are licensed in another state, territory, or country accompanying a patient from out-of-state for a period of less than two weeks and not employed or affiliated with a health care facility in the State. This important measure finds a solution to resolve the current delays in processing nursing license applications by endorsement. This process is needed for recruiting nurses from outside of Hawai'i as well as bringing in travel nurses to maintain 24/7 care in the state at a time in which Hawai'i is short of the number of nurses needed.

Upon reviewing this measure with the Hawai'i State Center for Nursing's (HSCN's) *Hawai'i Chief Nursing Officer (CNO) Collective*, a group of 51 nursing leaders representing 37 organizations, they made the following comments:

- Nursing recruitment and nurse license processing time remains one of the biggest concerns of the *CNO Collective* for over a year.
- This measure provides a clear pathway for out-of-state licensed nurses with licenses in good standing to enter the state and work immediately and with recognition by the Board of Nursing.
- Ensuring an expedited and clear timeframe for processing temporary permits would significantly improve the outcome of this measure and ability to recruit nurses into Hawai'i's nursing workforce.
- The preference of nurse leaders is that nurses who apply for a temporary permit also have a pathway that leads to permanent licensure.

Therefore, the HSCN recommends proposed amendments to Section 1 (following this testimony) in order to strengthen this proposed legislation pursuant to the recommendations and comments of the *CNO Collective*. The HSCN recognizes that these additions may have impact on feasibility of implementation. Upon reviewing other similar programs across the nation, the Hawai'i State Center found a similar initiative in Washington State in which the legislature required license applications to

be processed within 7 business.¹ To accomplish this required timeframe, Washington State increased license fees to purchase a new licensing system, hire additional staff, and staff the long-term care crisis.² The Hawaiʻi State Center for Nursing is in strong support of this measure. Revising the temporary permit laws for nursing will enable a clear and expedited pathways for nurses who hold licenses elsewhere in the United States to serve this state expeditiously. Thank you for your favorable consideration of this measure and consideration of the amendments that follow.

¹ Washington State Application Processing Times https://nursing.wa.gov/licensing/check-license-status/processing-times

² https://nursing.wa.gov/licensing/nurse-license-fees

Proposed amendments in yellow highlighted text.

- SECTION 1. Chapter 457, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:
- "§457- Temporary permit. (a) The board may issue a temporary permit to an out-of-state licensed practical nurse or registered nurse who has applied and met the following requirements:
 - (1) Completed an application on a form prescribed by the board;
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;
- (3) Provided proof of a valid and unencumbered license in another state, territory, or country by way of a license verification from the other state, territory, or country or Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules;
- (4) Completed the fingerprinting requirement for a federal and state criminal record check; and
- (5) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (b) An individual who currently holds a multistate license issued by another state may also meet the requirements for a temporary permit; provided the individual has met the following requirements:
- (1) Completed an application on a form prescribed by the board:
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing:
- (3) Provided proof of a valid and unencumbered multistate license in another state, territory, or country by way of a Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules. For purposes of this section, a "multistate license" means a license to practice as a licensed practical nurse or registered nurse issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege;

- (4) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (c) A temporary permit may only be issued to an applicant who has been appointed or accepted employment with a single health care entity listed in section 321-11(10).
- (d) Notwithstanding sections 457-7 and 457-8, an out-of-state registered nurse or licensed practical nurse may apply for a license to practice as a registered nurse or licensed practical nurse simultaneously with an application for a temporary permit based on the requirements of subsections (a) and (b).
- (e) A temporary permit shall be valid only for a period of six months from the date of issuance, provided that if an out-of-state licensed practical nurse or registered nurse has submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, the temporary permit issued pursuant to this section shall be valid until such time as the Board approves the application to practice as a licensed practical nurse or registered nurse. [In no case shall a permit issued hereunder be valid for more than a period of six months from the date of issuance.] If an out-of-state licensed practical nurse or registered nurse has not submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, a [A] new and separate temporary permit may be issued provided that the requirements of subsection (a) or (b) have been satisfied."

(f) An application for a temporary permit shall be approved within seven (7) business days of the date the completed application is received by the Board.



The state of

February 10, 2023 at 1:00 pm Conference Room 225

Senate Committee on Health and Human Services

To: Chair Joy A. San Buenaventura

Vice Chair Henry J.C. Aquino

From: Paige Heckathorn Choy

Associate Vice President, Government Affairs

Healthcare Association of Hawaii

Re: Support

SB 63, Relating to Nurses

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **support** this measure, which would create a new temporary permit pathway for registered nurses (RNs) and licensed practical nurses (LPNs) seeking to work at a healthcare entity in the state but does not have a Hawaii license. This proposal generally reflects the process currently in place through emergency rules, which have been critical to ensuring that our hospitals and other medical providers have enough staff to take care of the record-setting number of patients seeking care.

For reasons largely out of their control—including a record number of applications and interruptions in work due to the pandemic—the Department of Commerce and Consumer Affairs (DCCA) has faced a backlog in nursing applications. This led to a decision to cease issuing temporary licenses, which was not an issue until the emergency proclamation allowing out-of-state clinicians to practice in the state without a license lapsed. Since then, we have been grateful to the DCCA and the previous and current administration for allowing critical out-of-state clinicians to come in under emergency rules. Without this flexibility, our hospitals, nursing homes, and other medical organizations would be facing crisis levels of staffing shortages.

We appreciate this measure, which will codify much of the current emergency rules and allow an easier path for out-of-state RNs and LPNs to practice in the state. We would, however, like to suggest that there are some modifications that could be made to make this measure to make it more efficient.

Specifically, we would request amendments to Section 1 to implement a timeline by which a temporary license must be issued and to allow any application for a temporary permit to form the basis for an application for full licensure. Under the currently-proposed process, an applicant would have to apply and pay a fee twice.

The specific amendments we would request are in red below:

- "<u>\$457-</u> <u>Temporary permit.</u> (a) The board may issue a temporary permit to a practical nurse or registered nurse licensed in another jurisdiction who:
 - (1) Completes an application on a form prescribed by the board;
 - (2) Pays all fees as prescribed by administrative rules that are made applicable to the board;
 - (3) Provides proof of a valid and unencumbered license in another state, territory, or country by way of a license verification from the other state, territory, or country, or Nursys license verification report pursuant to applicable rule;
 - (4) Completes the fingerprinting requirement for a federal and state criminal record check; and
 - (5) Submits a certified copy of the self-query report from the National Practitioners Data Bank to the board.
- (b) The board may issue a temporary permit to an individual who currently holds a multistate license issued by another state, provided that the individual:
 - (1) Completes an application on a form prescribed by the board;
 - (2) Pays all fees as prescribed by administrative rules that are made applicable to the board;
 - (3) Provides proof of a valid and unencumbered multistate license in another state, territory, or country by way of a Nursys license verification report pursuant to applicable rule. For purposes of this subsection, a "multistate license" means a license to practice as a licensed practical nurse or registered nurse issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege; and

- (4) Submits to the board a certified copy of the self-query report from the National Practitioners Data Bank.
- (c) A temporary permit shall be issued only to an applicant who has been appointed or accepted employment with a single health care entity in the state listed in section 321-11(10).
- (d) Notwithstanding sections 457-7 and 457-8, an out-of-state registered nurse or licensed practical nurse may apply for a license to practice as a registered nurse or licensed practical nurse simultaneously with an application for a temporary permit based on the requirements of subsections (a) and (b).
- (e d) A temporary permit shall be valid only for a period of six months from the date of issuance, provided that if an outof-state licensed practical nurse or registered nurse has submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, the temporary permit issued pursuant to this section shall be valid until such time as the Board approves the application to practice as a licensed practical nurse or registered nurse. [In no case shall a temporary permit be valid for more than a period of six months from the date of issuance.] If an out-of-state licensed practical nurse or registered nurse has not submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, a [A] new and separate temporary permit may be issued; provided that the requirements of subsections (a) or (b) have been satisfied as applicable."
- (f) An application for a temporary permit shall be approved within seven (7) business days of the date the completed application is received by the Board, so long as all criteria in sections (a) or (b) have been met.

Thank you for the opportunity to support this important measure.

Written Testimony Presented Before the

Committee on Health & Human Services

PLACE: Room 225 and via videoconference

HEARING: Friday, February 10, 2023, 1:00 P.M.

By Hawai'i – American Nurses Association (Hawai'i-ANA)



SB63 – RELATING TO NURSES

Chair Joy A. San Buenaventura, Vice Chair Henry J.C. Aquino, and members of the Senate Committee on Health & Human Services, thank you for the opportunity to testify **in strong support of SB63**.

This testimony is written on behalf of nurses in the State of Hawaii by the Hawai'i-American Nurses Association (Hawai'i-ANA). Hawai'i-ANA is in full support of allowing the Board of Nursing to issue a temporary permit to a practical nurse (LPN) or registered nurse (RN) licensed in another jurisdiction.

The outcome of this bill would be a decrease in the processing time for an LPN or RN to begin nursing practice in the State of Hawaii. As we are all aware, we are in the midst of a severe nursing shortage, with more than 1000 open nursing positions in our Hawaii health system.

This situation is creating a healthcare crisis and lack of access to care for our community.

Temporary licensing of nurses is a common practice in many states, and indeed in Hawaii in the recent past. The staff who process temporary licenses to practice nursing in Hawaii have been overwhelmed with volume and lack of resources to meet the demand for this critically-needed

service. This bill would remedy that situation by funding a staff position for the specific

purpose of issuing temporary nurse licenses to those who have accepted employment in any

healthcare entity in the state, quickly and safely.

The issuance of such temporary licenses as proposed in this bill has resulted in no documented

negative impact on patient care, and the length of time to get nurses into the workforce has been

greatly shortened with this practice. Hawai'i-ANA respectfully requests you support and

approve legislation supportive of temporary licensing of nurses in Hawaii by passing SB63

through your committee.

We thank your committee for its commitment to the people of Hawai'i, in ensuring access to

high-quality health care by our state's interprofessional healthcare team.

Contact information for Hawai'i – American Nurses Association:

President: Dr. Nancy Atmospera-Walch, DNP, CCHN, FAAN, president@hawaii-ana.org

Executive Director: Dr. Linda Beechinor, APRN, FNP-BC executivedirector@hawaii-ana.org

phone (808) 779-3001

500 Lunalilo Home Road, #27-E, Honolulu HI 96825



February 10, 2023

The Honorable Joy A. San Buenaventura, Chair The Honorable Henry J.C. Aquino, Vice Chair Senate Committee on Health and Human Services

Re: SB63 – Relating to nurses

Dear Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB63, which allows the Board of Nursing to issue temporary permits to registered nurses and practical nurses licensed in another jurisdiction under certain circumstances, and excepts from license requirements nurses who are licensed in another state, territory, or country accompanying a patient from out-of-state for a period of less than two weeks and not employed or affiliated with a health care facility in the State.

HMSA believes in strengthening access to quality health care services in the state of Hawaii. From admission to discharge, nurses play a key role in ensuring the safety, health, and wellbeing of their patients. As we learned from our experience with the COVID-19 pandemic, there will be situations when we'll need to act quickly to reinforce our in-state nursing workforce. There is also a need for these invaluable health care workers to provide continuity of care for out-of-state patients who are traveling to Hawaii. We appreciate the legislature's intent to address these issues.

Thank you for the opportunity to testify in support of SB63.

Sincerely,

Dawn Kurisu

Assistant Vice President

Community and Government Relations



Friday, February 10, 2023 at 1:00 PM Via Video Conference; Conference Room 225

Senate Committee on Health and Human Services

To: Senator Joy San Buenaventura, Chair Senator Henry Aguino, Vice Chair

From: Amy Thomas, System Chief Nurse Executive

Re: SB 63 - Testimony in Support With Proposed Amendments

Relating To Nurses

My name is Amy Thomas, and I am the System Chief Nurse Executive 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 SB 63 and suggests proposed amendments. SB 63 allows the Board of Nursing to issue temporary permits to registered nurses and practical nurses who are licensed in another jurisdiction. The amendments we propose to Section 1 would aim to:

- Create a streamlined process for nurses toward obtaining a temporary permit;
- Allows an out-of-state nurse to simultaneously apply for a permanent license with an application for the temporary permit;
- Eliminate the need to renew a temporary permit in six (6) months should a nurse apply for a temporary permit and simultaneously apply for a permanent license; and
- Require approval with seven (7) business days of receipt of a completed application.

HPH's proposed amendments to Section 1 of SB 63 are attached to this testimony.

Hawai'i is faced with a shortage of health care professionals in every field, including nurses. There are about 1,000 open nursing positions statewide. Nearly every hospital has been impacted by the shortage of nurses. At HPH, 200 new out-of-state nurses are hired on an annual basis. We have an additional 200 traveling nurses from out of state. These 400 nurses must apply for a temporary permit and fulfill credentialing requirements to practice before they are eligible to work in Hawai'i. There is considerable lag time between the submission of an application for a temporary permit and its issuance. In the

meantime, the nurse is unable to work, and unable to help alleviate the nurse staffing shortage.

Approximately fifty percent of the out of state nurses we employ wish to become permanently licensed as a registered nurse or licensed practical nurse. The process to become permanently licensed requires another application separate from the application for temporary permit and satisfying another set of requirements. Combining the two separate application processes for temporary permit and permanent license into a single application would create a more efficient pathway to licensure. As out of state nurses hold a valid unencumbered license in another state or jurisdiction, their credentials have already been vetted by another licensing board. Thus, a streamlined application for temporary permit and permanent license would enable these nurses to practice under their temporary permit while the Board considers issuing a permanent license. Through this process much needed nurses would be able to enter the health care workforce at a faster rate.

Thank you for the opportunity to testify.

PROPOSED AMENDMENTS TO SB 63

RELATING TO NURSES.

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

SECTION 1. Chapter 457, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

- "§457- Temporary permit. (a) The board may issue a temporary permit to an out-of-state licensed practical nurse or registered nurse who has applied and met the following requirements:
 - (1) Completed an application on a form prescribed by the board;
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;
- (3) Provided proof of a valid and unencumbered license in another state, territory, or country by way of a license verification from the other state, territory, or country or Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules;
- (4) Completed the fingerprinting requirement for a federal and state criminal record check; and
- (5) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (b) An individual who currently holds a multistate license issued by another state may also meet the requirements for a temporary permit; provided the individual has met the following requirements:
 - (1) Completed an application on a form prescribed by the board;
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;
- (3) Provided proof of a valid and unencumbered multistate license in another state, territory, or country by way of a Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules. For purposes of this section, a

"multistate license" means a license to practice as a licensed practical nurse or registered nurse issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege;

- (4) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (c) A temporary permit may only be issued to an applicant who has been appointed or accepted employment with a single health care entity listed in section 321-11(10).
- (d) Notwithstanding sections 457-7 and 457-8, an out-of-state registered nurse or licensed practical nurse may apply for a license to practice as a registered nurse or licensed practical nurse simultaneously with an application for a temporary permit based on the requirements of subsections (a) and (b).
- (e) A temporary permit shall be valid only for a period of six months from the date of issuance, provided that if an out-of-state licensed practical nurse or registered nurse has submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, the temporary permit issued pursuant to this section shall be valid until such time as the Board approves the application to practice as a licensed practical nurse or registered nurse. [In no case shall a permit issued hereunder be valid for more than a period of six months from the date of issuance.] If an out-of-state licensed practical nurse or registered nurse has not submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, a [A] new and separate temporary permit may be issued provided that the requirements of subsection (a) or (b) have been satisfied."

(f) An application for a temporary permit shall be approved within seven (7) business days of the date the completed application is received by the Board.



February 10, 2023

To: Chair San Buenaventura, Vice Chair Aquino, and Members of the Senate Committee on Health and Human Services

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: February 10, 2023; 1:00 p.m., Conference Room 225/Videoconference

Re: Testimony in support of SB 63 - Relating to Nurses

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to testify in support of SB 63. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP believes in providing our members with access to quality care and this bill would allow for temporary permits for already licensed nurses from other jurisdictions and allow for nurses to accompany out-of-state patients while in Hawaii for a limited time frame. As we know, providers are in short supply, particularly in rural areas, and access to care is critically important. This bill would help to expand and strengthen our critical health care workforce, support the health care ecosystem, and, most importantly, improve access to care for the residents of Hawaii.

Thank you for the opportunity to testify on SB 63.

Sincerely,

HAHP Public Policy Committee cc: HAHP Board Members

AlohaCare | HMAA | HMSA | Humana | HWMG | Kaiser Permanente | MDX Hawaii | Ohana Health Plan | UHA Health Insurance | UnitedHealthcare



To: The Honorable Joy San Buenaventura, Chair
The Honorable Henry Aquino, Vice Chair
Mambara Sanata Committee an Health & Human San

Members, Senate Committee on Health & Human Services

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

Date: February 10, 2023

Re: Support for SB63: Relating to Nurses

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 appreciates the opportunity to provide comments supporting SB63, which seeks to enable the Hawaii State Board of Nursing to issue temporary permits to out-of-state license nurses and enables DCCA to adopt interim rules and collect fees for the administration of this program. COVID19 underscored how interconnected our healthcare system is -those interconnections helped us adapt, pivot, and improve many conventional processes in order to address immediate emergency medical events. Under the federal and state COVID19 emergency proclamations, our state was able to expedite certain licensing protocols in order to expeditiously deploy critical skilled nursing staff throughout our state. This bill would help build upon some of those provisions by expediting nurse licensing in our state when certain conditions are met.

Queen's relies on out-of-state nurses as a critical part of meeting our ongoing nursing shortage; according to HAH's 2022 Workforce Initiative Report the overall nursing shortage is approaching 1000. This is a trend we see nationally and we must make concerted efforts to continue investing in our local workforce through training, residency programs, and educational opportunities while also being nimble and looking at new ways to recruit and retain nurses. We believe his bill is one attempt to help accomplish that. We also implore the Committee to work with the Department and stakeholders to look for additional efficiency and innovation within the state licensing process and ensure the temporary permitting program is effective.

We would also request the Committee to consider the attached amendment which would allow an out-of-state nurse the choice to apply for a permanent license on the same application for the temporary permit; this would help streamline the application process, remove the need to re-apply for licensing or a permit after six months, and alleviate administrative burden for staff.

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.

Thank you for allowing Queen's to provide this testimony in support of SB63.

Proposed Amendment:

SECTION 1. Chapter 457, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§457- Temporary permit. (a) The board may issue a temporary permit to an out-of-state licensed practical nurse or registered nurse who has applied and met the following requirements:

- (1) Completed an application on a form prescribed by the board;
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;
- (3) Provided proof of a valid and unencumbered license in another state, territory, or country by way of a license verification from the other state, territory, or country or Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules;
- (4) Completed the fingerprinting requirement for a federal and state criminal record check; and
- (5) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (b) An individual who currently holds a multistate license issued by another state may also meet the requirements for a temporary permit; provided the individual has met the following requirements:
 - (1) Completed an application on a form prescribed by the board;
- (2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;
- (3) Provided proof of a valid and unencumbered multistate license in another state, territory, or country by way of a Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules. For purposes of this section, a "multistate license" means a license to practice as a licensed practical nurse or registered nurse issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege;
- (4) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.
- (c) A temporary permit may only be issued to an applicant who has been appointed or accepted employment with a single health care entity listed in section 321-11(10).
- (d) Notwithstanding sections 457-7 and 457-8, an out-of-state registered nurse or licensed practical nurse may apply for a license to practice as a registered nurse or licensed practical nurse

simultaneously with an application for a temporary permit based on the requirements of subsections (a) and (b).

(e) A temporary permit shall be valid only for a period of six months from the date of issuance, provided that if an out-of-state licensed practical nurse or registered nurse has submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, the temporary permit issued pursuant to this section shall be valid until such time as the Board approves the application to practice as a licensed practical nurse or registered nurse. [In no case shall a permit issued hereunder be valid for more than a period of six months from the date of issuance.] If an out-of-state licensed practical nurse or registered nurse has not submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, a [A] new and separate temporary permit may be issued provided that the requirements of subsection (a) or (b) have been satisfied."

(f) An application for a temporary permit shall be approved within seven (7)

business days of the date the completed application is received by the Board.



February 10, 2023 1 p.m. Conference Room 225 VIA VIDEOCONFERENCE

To: Senate Committee on Health and Human Services Sen. Joy A. San Buenaventura, Chair Sen. Henry J.C. Aquino, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: SB63 — RELATING TO NURSES

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on <u>SB63</u>, which would allow the Board of Nursing to issue temporary permits to nurses licensed in other states so long as the applicants comply with certain requirements.

If this bill is enacted, the Legislature will be formalizing the ad hoc approach to license recognition that began with Gov. David Ige's COVID emergency proclamations. While this is a positive step to address the shortage of nurses in our state, it stops short of more effective and permanent reform measures.

It is well established that Hawaii is suffering from a shortage of vital healthcare workers, especially nurses. A 2021 <u>report</u> from the Hawaii State Center for Nursing estimated that the state has 300 to 400 fewer nurses than needed to meet demand. Since 2021, we have seen <u>research</u> indicating that nearly one-fourth of Hawaii's nurses have been considering leaving the workforce, largely due to the stresses caused by the pandemic.

¹ Carrie M. Oliveira, "<u>2021 Hawai'i Nursing Workforce Supply: Statewide Report</u>," Hawai'i State Center for Nursing, 2021.

² Holly B. Fontenot, et al., "<u>Impact of the COVID-19 Pandemic on the Hawai'i Nursing Workforce: A Cross-sectional Survey</u>," Hawaii Journal of Health and Social Welfare, May 2022.

The problem — which existed before the pandemic — has not eased since the emergency was lifted. Across the state, and especially in rural areas, Hawaii is facing shortages of experienced healthcare professionals, from primary care providers to nurses, specialists and staff.

Fixing the shortage in healthcare workers requires a multipronged strategy that will address everything from Hawaii's high cost of living to the state's regulatory scheme for healthcare facilities. Perhaps most important is the need to reform licensing regulations for healthcare professionals.

One-fourth of all licensed workers in the U.S. work in healthcare.³ Their licenses can be difficult to obtain, are expensive and carry geographic or "scope of practice" limitations.

As discussed in an upcoming policy brief on medical licensing by the Grassroot Institute of Hawaii, the state's shortage of healthcare professionals makes its restrictions on healthcare workers who already hold licenses in other U.S. states seem redundant and self-defeating.

As the Federal Trade Commission noted in a report on occupational licensing portability:

There is little justification for the burdensome, costly, and redundant licensing processes that many states impose on qualified, licensed, out-of-state applicants. Such requirements likely inhibit multistate practice and delay or even prevent licensees from working in their occupations upon relocation to a new state. Indeed, for occupations that have not implemented any form of license portability, the harm to competition from suppressed mobility may far outweigh any plausible consumer protection benefit from the failure to provide for license portability.⁴

In other words, though medical licensing is intended to protect the public, there is a point at which the level of regulation reduces the number of people in practice without an appreciable public benefit.

⁴ Karen Goldman, <u>"Options to Enhance Occupational License Portability."</u> U.S. Federal Trade Commission, September 2018, p. 25.

³ Ryann Nunn, <u>"Improving Health Care Through Occupational Licensing Reform."</u> RealClear Markets, Aug. 28, 2018

One study of licensing among medical professionals found that "licensing is associated with restricted labor supply, an increased wage of the licensed occupation, rents, increased output prices, and no measurable effect on output quality."⁵

This is where we can benefit from the lessons learned during the coronavirus situation. The governor's emergency modification to state licensing laws demonstrated a need to embrace license portability, making it a simple matter for a nurse licensed in another state to practice in Hawaii.

The temporary permit system outlined in this bill is a partial answer to the need to attract more nurses to Hawaii. However, as discussed in the Grassroot Institute upcoming policy brief, temporary permits would be "a Band-Aid approach" to the nursing shortage.

The brief continues: "A full [licensure] recognition scheme that encourages healthcare workers to relocate to Hawaii would be a more effective approach to addressing the state's shortages in licensed healthcare professionals."

Because it would create a pathway to local licensure for out-of-state nurses, albeit a temporary one, this bill would be an improvement on our current system. However, the fact that the permits are temporary undermines their value as a way to bring more healthcare workers to our state.

The committee should consider a more sustainable and long-term approach to attracting nurses to our state in order to help end the nursing shortage and improve healthcare access for all.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas

Director of Strategic Campaigns,

Grassroot Institute of Hawaii

⁵ Sean Nicholson and Carol Propper, <u>"Chapter Fourteen — Medical Workforce."</u> in "Handbook of Health Economics, Vol. 2," Elsevier, B.V., 2012, p. 885, cited also in the previously mentioned <u>FTC study</u>, footnote #9, p3.

SB-63

Submitted on: 2/9/2023 9:20:10 AM

Testimony for HHS on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
stephanie marshall	Individual	Support	Written Testimony Only

Comments:

As a registered nurse for over 45 years, I strongly support the passage of this bill. With the increasing shortage of healthcare team members, it is imperative that this act be placed into law for the health and safety of Hawaii residents.

Very respectfully, Stephanie Marshall RN, MA, FAAN

<u>SB-63</u> Submitted on: 2/9/2023 11:51:26 AM

Testimony for HHS on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julia Lindbergh	Individual	Support	Written Testimony Only

Comments:

To whom it concerns,

I am in favor of SB63.

Thank you

Julia Lindbergh, RN East Hawaii