
A BILL FOR AN ACT

RELATING TO MEDICAL TRANSPORTATION.

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

1 SECTION 1. The legislature finds that between 2020 and
2 2021, Molokai and Lanai lost access to two air carriers, leaving
3 both islands with a single air carrier available to the public
4 for departures from each island. Since then, residents have
5 been plagued with inconsistent and undependable air
6 transportation services, including frequent and last-minute
7 flight changes, cancellations, and lengthy delays. As rural
8 communities, residents of Molokai and Lanai are medically
9 underserved, which means that residents are routinely referred
10 to providers on Maui or Oahu for medical care. Delays,
11 cancellations, and flight changes may cause residents traveling
12 for medical treatment to miss important and potentially
13 life-saving treatments, including surgeries and chemotherapy
14 treatments that were scheduled months earlier and may take weeks
15 to months to reschedule.

16 The purpose of this Act is to establish a pilot project to
17 make chartered plane seats available to patients, medical



1 insurers, and medical service providers to consistently and
2 dependably transport residents of certain medically underserved
3 rural communities.

4 SECTION 2. (a) There is established within the department
5 of health the essential rural medical air transport pilot
6 project.

7 (b) The purpose of the pilot project shall be to provide
8 residents in rural islands with increased access to medical
9 care.

10 (c) The pilot project shall charter flights and:

11 (1) Allow insurance companies to reserve and pay for seats
12 on those flights for:

13 (A) Insured individuals residing on a rural island to
14 be transported to and from an urban island for
15 medical and healthcare services, including
16 appointments with medical providers; and

17 (B) The companions of insured individuals to
18 accompany the insured individuals;

19 (2) Allow companions of insured individuals to reserve and
20 pay for seats on those flights to accompany the
21 insured individuals; and



1 (3) Allow medical providers to reserve and pay for seats
2 on those flights for transportation to and from an
3 urban island to a rural island for the purpose of
4 providing medical services for residents of the rural
5 island.

6 (d) The pilot project shall seek reimbursement or payment
7 from insurers and medical providers to the maximum extent
8 possible.

9 (e) Subject to available funds and demand, the pilot
10 project shall attempt to offer at least twelve roundtrip flights
11 per week.

12 (f) The department of health shall consult with
13 appointment schedulers, patient navigators, provider staff, and
14 insurers to coordinate patient appointment times with flight
15 times.

16 (g) The department of health may contract with a private
17 entity to administer the pilot project.

18 (h) There is established the essential rural medical air
19 transport revolving fund into which shall be deposited:

20 (1) Appropriations by the legislature;



1 (2) Payments received from insurers, medical providers,
2 and individuals; and

3 (3) Any other moneys received by the pilot project.

4 (i) The department of health shall submit a report to the
5 legislature no later than twenty days prior to the convening of
6 the regular session of 2026. The report shall contain:

7 (1) The expenses and revenues of the pilot project;

8 (2) The number of seats sold to:

9 (A) Insured individuals seeking transportation to
10 obtain medical services;

11 (B) Companions of insured persons;

12 (C) Medical providers; and

13 (D) Other residents of a rural island,
14 who used the pilot project;

15 (3) Any other relevant findings; and

16 (4) Recommendations about whether the pilot project should
17 be extended, amended, made permanent, or terminated,
18 and any proposed legislation.

19 (j) For the purpose of this Act:



1 "Rural island" means an island within the State that has a
2 population of more than one thousand, but less than ten
3 thousand.

4 "Urban island" means an island within the State that:

5 (1) Has a population of more than nine hundred thousand;

6 or

7 (2) Has a population of more than one hundred thousand but
8 less than one hundred eighty thousand.

9 SECTION 3. This Act shall not be construed to limit or
10 prevent any individual from obtaining transportation to another
11 location for medical treatment or to reduce or limit any
12 insurance reimbursement or coverage for those transportation
13 costs.

14 SECTION 4. In accordance with section 9 of article VII, of
15 the Constitution of the State of Hawaii and sections 37-91 and
16 37-93, Hawaii Revised Statutes, the legislature has determined
17 that the appropriation contained in this Act will cause the
18 state general fund expenditure ceiling for fiscal year 2024-2025
19 to be exceeded by \$, or per cent. The reasons
20 for exceeding the general fund expenditure ceiling are that the



1 appropriation made in this Act is necessary to serve the public
2 interest and to meet the needs provided for by this Act.

3 SECTION 5. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$2,000,000 or so much
5 thereof as may be necessary for fiscal year 2024-2025 to be
6 deposited into the essential rural medical air transport
7 revolving fund.

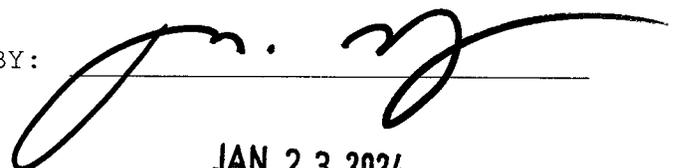
8 SECTION 6. There is appropriated out of the essential
9 rural medical air transport revolving fund the sum of \$2,000,000
10 or so much thereof as may be necessary for fiscal year 2024-2025
11 for necessary positions and the other expenses of the essential
12 rural medical air transport pilot project.

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

15 SECTION 7. This Act shall take effect on July 1, 2024;
16 provided that this Act shall be repealed on June 30, 2026, and
17 any unencumbered balance in the essential rural medical air
18 transport revolving fund on that date shall lapse to the credit
19 of the general fund.

20

INTRODUCED BY:



JAN 23 2024



H.B. NO. 2544

Report Title:

Essential Rural Medical Air Transport Pilot Project; DOH;
Charter Flights; Appropriation; General Fund Expenditure Ceiling
Exceeded

Description:

Establishes within the Department of Health a 2-year pilot project to charter flights from rural islands to an urban island to provide rural island residents with reliable transportation to medical care on urban islands and to transport medical service providers from an urban island to a rural island. Declares that the general fund appropriation will breach the expenditure ceiling. Appropriates funds. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

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

