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 federally qualified

2   health centers, rural health clinics, Ryan White HIV/AIDS

3   program centers, and Native Hawaiian health centers are a vital

4   source of health care access and public health for Hawaii's

5   underserved population, serving twenty per cent of residents.

6   Foundational health information technology infrastructure

7   is needed to transform health care delivery and maintain public

8   health readiness and recovery. Certified, hosted, and

9   maintained health information technology, including software and

10   hardware upgrades and related technical support, are an

11   essential component of equitable access to care, particularly in

12   the artificial intelligence era. Such systems enhance care

13   coordination, improve patient outcomes, and assist providers in

14   meeting regulatory obligations. They also promote public health

15   by equipping providers and government agencies with the

16   information necessary to understand their community's needs and

17   craft data-driven policies. Equally important, health

1 information technology systems that share information seamlessly

2 are critical in supporting trauma informed care by ensuring that

3 sensitive patient health information is interoperable among

4 providers, thereby reducing the need to repeatedly ask questions

5 that could be traumatic for patients.

6 The legislature further finds that certified, hosted, and

7 maintained health information technology infrastructure requires

8 significant upfront investment that is not feasible for many

9 providers in rural and underserved areas. The resulting

10 difference in the quality of health information technology

11 available to providers creates disparities in care and public

12 health outcomes in rural and underserved communities.

13 Accordingly, the purpose of this Act is to establish a

14 grant program within the department of health, to be

15 administered by the state health planning and development

16 agency, to support a certified, hosted, and maintained health

17 information technology infrastructure and the implementation of

18 interoperable health information technologies for federally

19 qualified health centers, rural health clinics, Ryan White

20 HIV/AIDS program centers, and Native Hawaiian health centers in

21 Hawaii.

1 SECTION 2. Chapter 323D, Hawaii Revised Statutes, is

2 amended by adding a new subpart to part II to be appropriately

3 designated and to read as follows:

4 "   . Health Infrastructure Grant Program

5 §323D-   **Definitions.** As used in this subpart:

6 "Certified" means certified under the United States

7 Department of Health and Human Services Office of the National

8 Coordinator for Health Information Technology's Health IT

9 Certification Program, which includes interoperability and

10 cybersecurity requirements pursuant to title 45 Code of Federal

11 Regulations, part 170, subpart B.

12 "Department" means the department of health.

13 "Federally qualified health center" has the same meaning as

14 in title 42 United States Code section 1396d(l)(2)(B).

15 "Hosted" means a health information technology system that

16 is managed, maintained, and operated by an external entity

17 through a centralized infrastructure, including but not limited

18 to cloud-based or on-premises data centers.

19 "Maintained" means regularly updating and ensuring

20 compliance with current federal and state requirements.

1   "Native Hawaiian health center" has the same meaning as in

2   title 42 United States Code section 11711(4).

3   "Rural health clinic" has the same meaning as in title 42

4   United States Code section 1396d(l)(1).

5   "Ryan White HIV/AIDS program center" means an organization

6   that receives grant funding under title 42 United States Code

7   section 300ff-21.

8   **§323D-   Health information technology infrastructure**

9   **grant program; establishment.** There is established a certified,

10   hosted, and maintained health information technology

11   infrastructure grant program within the department, to be

12   administered by the state agency. The state agency shall

13   receive and review grant applications and may award grants for

14   eligible projects pursuant to the program.

15   **§323D-   Eligible projects.** The state agency may award

16   grants to eligible applicants for eligible projects to:

17   (1) Acquire or upgrade certified, hosted, and maintained

18   electronic health records systems;

19   (2) Procure certified, hosted, and maintained health

20   information technology software and hardware,

21   including digital security programs and devices;

1   (3)   Finance installation services; and

2   (4)   Cover ongoing technical assistance and workforce

3   development and training.

4   §323D-   **Eligible applicants.** (a) Eligible applicants

5 for a grant shall include:

6   (1)   Federally qualified health centers within the State;

7   (2)   Native Hawaiian health centers;

8   (3)   Ryan White HIV/AIDS program centers; and

9   (4)   Rural health clinics.

10   (b)   An eligible applicant shall also:

11   (1)   Be a nonprofit entity under section 501(c)(3) of the

12   Internal Revenue Code of 1986; and

13   (2)   Agree to support public health and serve as a clinical

14   research participant, including conducting research

15   regarding insured and uninsured individuals.

16   §323D-   **Applications.** (a) The state agency shall

17 establish an annual time period to commence an open process for

18 submission of applications for funding under the program. The

19 time period for submission shall be no less than sixty days.

20   (b)   The form of the application shall be as prescribed by

21 the state agency and shall include:

1   (1)   Evidence demonstrating the applicant's experience and

2   ability to plan, organize, staff, and deliver health

3   services to underserved populations within the State;

4   (2)   A description of the project;

5   (3)   The number of people served by the applicant; and

6   (4)   The total cost and timeline for completion of the

7   project.

8   §323D-   **Rules.** The state agency may adopt rules

9 pursuant to chapter 91 to effectuate the purposes of this

10 subpart. The rules may include reasonable oversight and

11 reporting provisions to ensure that grant moneys are used as

12 intended."

13   SECTION 3. Chapter 323D, Hawaii Revised Statutes, is

14 amended by designating sections 323D-11 to 323D-18.6 as subpart

15 A and inserting a title before section 323D-11 to read as

16 follows:

17   "A. General Provisions."

18   SECTION 4. There is appropriated out of the general

19 revenues of the State of Hawaii the sum of $ or so

20 much thereof as may be necessary for fiscal year 2025-2026 and

21 the same sum or so much thereof as may be necessary for fiscal

H.B. NO. 716 H.D. 1

1 year 2026-2027 for the health information technology

2 infrastructure grant program established pursuant to section 2

3 of this Act.

4   The sums appropriated shall be expended by the department

5 of health for the purposes of this Act.

6   SECTION 5. New statutory material is underscored.

7   SECTION 6. This Act shall take effect on July 1, 3000.

Report Title:
Health Infrastructure Grant Program; Health Information
Technologies; State Health Planning and Development Agency;
FQHCs; Rural Health Clinics; Ryan White HIV/AIDS Program
Centers; Native Hawaiian Health Centers; Appropriation

Description:
Establishes the Health Infrastructure Grant Program within the
Department of Health, to be administered by the State Health
Planning and Development Agency, to support health information
technology infrastructure and the implementation of
interoperable health information technologies in federally
qualified health centers, rural health clinics, Ryan White
HIV/AIDS Program centers, and Native Hawaiian health centers.
Appropriates funds for the grant program. Effective 7/1/3000.
(HD1)

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