

ACT 181

S.B. NO. 402

A Bill for an Act Relating to Medical Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 304, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART . HAWAII MEDICAL EDUCATION COUNCIL

§304-A Definitions. As used in this part:

“Centers for medicaid and medicare services” means the centers for medicaid and medicare services within the United States department of health and human services.

“Council” means the medical education council created under section 304-C.

“Graduate medical education” means that period of clinical training of a physician following receipt of the medical doctor degree and prior to the beginning of an independent practice of medicine.

“Graduate medical education program” means a graduate medical education training program accredited by the American Council on Graduate Medical Education.

“Health care training program” means a health care training program that is accredited by a nationally-recognized accrediting body.

§304-B Medical education program. (a) There is created a graduate medical education program to be administered by the medical education council in cooperation with the department of health.

(b) The program shall be funded with moneys received for graduate medical education and deposited into the Hawaii medical education special fund established under section 304-F.

(c) All funding for this program shall be nonlapsing.

(d) Program moneys shall only be expended if:

(1) Approved by the council; and

(2) Used for graduate medical education in accordance with sections 304-D and 304-E.

§304-C Medical education council. (a) There is created within the University of Hawaii, the medical education council consisting of the following thirteen members:

(1) The dean of the school of medicine at the University of Hawaii;

(2) The dean of the school of nursing and dental hygiene at the University of Hawaii;

(3) The vice dean for academic affairs at the school of medicine who represents graduate medical education at the University of Hawaii;

(4) The director of health or the director’s designated representative;

(5) The director of the Cancer Research Center of Hawaii; and

(6) Eight persons to be appointed by the governor as follows:

(A) Three persons each of whom shall represent a different hospital at which accredited graduate medical education programs are conducted;

(B) Three persons each who represent the health professions community;

(C) One person who represents the federal health care sector; and

(D) One person from the general public.

(b) Except as provided in subsection (a)(1), (2), (3), and (4), no two council members may be employed by or affiliated with the same:

(1) Institution of higher education;

(2) State agency outside of higher education; or

(3) Private entity.

(c) Terms of office of council members shall be as follows:

(1) Except as provided in paragraph (2), the dean of the school of medicine, dean of nursing and dental hygiene, vice dean of academic affairs of the school of medicine at the University of Hawaii, and the director of health, or the director’s designated representative, shall be permanent ex officio members of the council, and the remaining non-permanent council members shall be appointed to four-year terms of office;

(2) Notwithstanding paragraph (1), the governor at the time of the initial appointment shall reduce the terms of four nonpermanent council

members to two years to ensure that approximately half of the non-permanent council members are appointed every two years; and

- (3) If a vacancy occurs in the membership for any reason, the replacement shall be appointed by the governor for the unexpired term in the same manner as the original appointment was made.

(d) The dean of the school of medicine at the University of Hawaii shall chair the council. The council shall annually elect a vice chair from among the members of the council.

(e) All council members shall have voting rights. A majority of the council members shall constitute a quorum. The action of a majority of a quorum shall be the action of the council.

(f) Per diem and expenses incurred in the performance of official duties may be paid to a council member who:

- (1) Is not a government employee; or
- (2) Is a government employee, but does not receive salary, per diem, or expenses from the council member's employing unit for service to the council.

A council member may decline to receive per diem and expenses for service to the council.

§304-D Council duties. The council shall:

- (1) Conduct a comprehensive analysis of the health care workforce requirements of the State for the present and the future, focusing in particular on the State's need for physicians;
- (2) Conduct a comprehensive assessment of the State's health care training programs, focusing in particular on graduate medical education programs and their role in and ability to meet the health care workforce requirements identified by the council;
- (3) Recommend to the legislature and the board of regents such changes in or additions to the health care training programs in the State identified by the council's assessment;
- (4) Work with such other entities and state agencies as necessary, develop a plan to assure the adequate funding of health care training programs in the State, with an emphasis on graduate medical education programs, and after consultation with the legislature and the board of regents, implement the plan. The plan shall specify the funding sources for health care training programs and establish the methodology for funding disbursement. Funds shall be expended for the types of costs normally associated with health care training programs, including but not limited to physician salaries and other operating and administrative costs. The plan may include the submission of an application in accordance with federal law for a demonstration project to the centers for medicaid and medicare services, for the purpose of receiving and disbursing federal funds for direct and indirect graduate medical education expenses;
- (5) Seek funding from public sources, including state and federal government, and private sources to support the plan;
- (6) Monitor the implementation and effectiveness of the plan, making such modifications as may be required by future developments and changing needs and after consulting with the legislature and the board of regents, as appropriate; and
- (7) Submit a summary report to the legislature no later than twenty days before the convening of each regular session, of the expenditures of program moneys authorized by the council under this part.

§304-E Council powers. The council may:

- (1) Conduct surveys, with the assistance of the department of health and the department of commerce and consumer affairs, to assess and meet changing market and education needs;
- (2) Appoint advisory committees of broad representation on interdisciplinary clinical education, workforce mix planning and projections, funding mechanisms, and other topics as is necessary;
- (3) Use federal moneys for necessary administrative expenses to carry out its duties and powers as permitted by federal law;
- (4) Distribute program moneys in accordance with this part; provided that any expenditures authorized shall be for a public purpose and shall not be subject to chapters 42F, 103, 103D, and 103F;
- (5) Hire employees not subject to chapters 76 and 89 necessary to carry out its duties under this part; and
- (6) Adopt rules in accordance with chapter 91, necessary to carry out the purposes of this part.

§304-F Hawaii medical education special fund. There is established within the state treasury a special fund to be known as the Hawaii medical education special fund, into which shall be deposited all funds received by the Hawaii medical education council, including:

- (1) Moneys from the federal Centers for Medicaid and Medicare Services or other federal agencies;
- (2) State appropriations; and
- (3) Grants, contracts, donations, or private contributions.

The fund shall be administered by the council. Moneys in the fund shall be expended by the council in accordance with this part.”

SECTION 2. There is appropriated out of the revenues of the Hawaii medical education special fund the sum of \$800,000, or so much thereof as may be necessary for fiscal year 2003-2004, and the same sum, or so much thereof as may be necessary for fiscal year 2004-2005, for the establishment and operation of the Hawaii medical education council.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 3. In codifying the new part added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. This Act shall take effect on July 1, 2003.

(Approved June 16, 2003.)