



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Health and Human Services  
February 1, 2018 at 9:30 a.m.

by

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And

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### HB 1967 – RELATING TO HEALTHCARE PRECEPTOR TAX CREDITS

Chair Mizuno, Vice Chair Kobayashi, and members of the House Committee on Health and Human Services:

I am testifying on behalf of the University of Hawai'i System with its graduate nursing, psychology, and social work programs as well as the John A. Burns School of Medicine and the Daniel K. Inouye College of Pharmacy in strong support of HB 1967 with amendments. This bill will support workforce development by establishing individual income tax credits for professionals who serve as uncompensated preceptors to UH students in the above professions.

Preceptors are licensed and practicing health care professionals who oversee a health professional student in gaining the clinical experience required by national accreditors and State of Hawai'i licensing boards. The uncompensated, voluntary precepting takes place at their place of employment and is above and beyond their patient care workload and employment responsibilities. Also, the preceptor must develop a set of coaching or teaching skills above and beyond that required for their employment. Such preceptors are committed to educating the next generation but are reporting increasing fatigue and burnout due to the competing demands on their time and we are facing a shortage of preceptors for all the health professions students. This shortage impacts the UH ability to accept Hawai'i students into our programs and prepare an adequate number of future professionals to meet the demands for healthcare providers for the people of Hawai'i. As demands increase on health care providers, they are requesting recognition for their preceptor activities to offset longer hours worked or fewer patient visits.

A 2017 Hawai'i State Center for Nursing (HSCN) survey of in-state dental hygiene, pharmacy, medicine and graduate nursing schools found that all responding schools are moderately or very concerned about the small number of clinical training sites available for their students; more than 80% of in-state health profession schools had more difficulty finding clinical training sites in 2017 than in 2015; and over half of these

programs have limited enrollment due to the lack of training sites. As an example, the UH Mānoa School of Nursing and Dental Hygiene Doctor of Nursing Practice (DNP) Program graduates primary care nurse practitioners who manage patient panels, and assess, evaluate, diagnose, develop treatment plans including prescribing medication. Due to the lack of preceptors, we admit only 29% of the qualified Hawai'i applicants. Yet, the state has a continuing shortage of primary care providers.

Georgia, Maryland and Colorado have enacted legislation for preceptor individual income tax credits and Utah, North Dakota and New York currently are undertaking similar efforts to both maintain and grow the preceptor capacity in their states. The Hawai'i approach is highly interprofessional as we recognize the need for team care delivery to address community needs. By addressing the preceptor shortage as the University of Hawai'i system, we will move our state closer to sustainable interprofessional education and care delivery.

The UH notes the economic benefit provided by the health workforce. A North Carolina economic analysis found that each full time APRN in their state can contribute, minimally, \$273,000 in direct economic output and between \$11,800 and \$22,000 in state and local tax revenue<sup>1</sup>. A recent American Medical Association economic analysis found that physicians in Hawai'i contribute, on average, \$2,282,615 in direct economic output and \$110,494 in state and local tax revenue<sup>2</sup>.

A state investment in the healthcare professions academic pipeline through preceptor income tax-credits will improve the UH ability to develop and grow future healthcare professionals in this state, close the gap on the shortage of health care professionals, and increase economic revenues statewide.

The UH respectfully requests that the House Committee Health and Human Services consider the attached amendment recommendations. Amendments will:

- Add Social Work as eligible students, residents/trainees and preceptors;
- Amend the definition of "Nationally Accredited" to recognize the individual health professional academic accreditation as determined by its respective regulatory board or program; and
- Update the report title and description to reflect the above amendments.

Therefore, on behalf of the UH health professions education programs, we respectfully request that HB 1967 pass amended.

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<sup>1</sup> Conover, C., & Richards, R. (2015). Economic benefits of less restrictive regulation of advanced practice nurses in North Carolina. *Nursing Outlook*, 63(5), 585–592.

<sup>2</sup> American Medical Association [AMA]. (2018). The economic impact of physicians in Hawaii: State report. Retrieved from <https://www.physicianseconomicimpact.org/pdf/FullStateReports/HI-Study.pdf>

## ATTACHMENT WITH SUGGESTED AMENDMENTS TO HB 1967

Note: Suggested amendments are reflected in bold/highlighted text

Page 3, Lines 5-6

Developing sufficient clinical training opportunities **and field placements** in areas of high demand requires a sufficient number of appropriately trained preceptors, but the limited availability of preceptors restricts in-state healthcare academic institutions from expanding healthcare provider training.

Page 3, Lines 19-20

The purpose of this Act is to create a tax credit that encourages preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as healthcare providers throughout Hawaii, with the intention of building capacity for clinical education at in-state academic programs that are nationally accredited for the training of medical, nursing, dental hygiene, **social work, psychology** or pharmacy professionals.

Page 7, Line 14-15

"Eligible professional degree or training certificate" means a degree or certificate that fulfills a requirement to be a dental hygienist pursuant to chapter 447, a physician or osteopathic physician pursuant to chapter 453, an advanced practice registered nurse pursuant to chapter 457, a pharmacist pursuant to chapter 461, ~~or~~ a psychologist pursuant to chapter 465, **or a social worker pursuant to chapter 467E.**

Page 7, Line 18

"Eligible student or trainee" means an advanced practice registered nurse student, dental hygienist student, medical student, pharmacy student, psychology student, **social work student,** or resident or similar health science trainee.

Page 8, Lines 16-17

"Preceptor" means a dentist or dental surgeon licensed pursuant to chapter 448, a physician or osteopathic physician licensed pursuant to chapter 453, an advanced practice registered nurse licensed pursuant to chapter 457, a pharmacist licensed pursuant to chapter 461, ~~or~~ a psychologist licensed pursuant to chapter 465, **or a social worker pursuant to chapter 467E who may be either licensed or unlicensed.**

Page 9, Between content on lines 4-5

**"Social worker student" means an individual participating in an academic program in this state that is nationally accredited for the training of social work professionals pursuant to chapter 467E.**

Page 10, after line 20

**(5) Deans or directors of each academic program that is nationally accredited for the training of psychology pursuant to chapter 465.**

**(6) Deans or directors of each academic program that is nationally accredited for the training of social work pursuant to chapter 467E.**

**Report Title:**

Registered Nurses; Doctors; Dentists; Dental Hygienists; Pharmacists; Psychologists; Preceptors; **Social Workers;** Tax Credits

**Description:**

Allows advanced practice registered nurses, physicians, dentists, **psychologists, and** pharmacists, **and social workers** to receive tax credits for acting as preceptors in volunteer-based supervised clinical training rotations provided to eligible students that enable the students to obtain an eligible healthcare professional degree or certificate.