Testimony Presented Before the House Committee on Health & Homelessness Wednesday, February 1, 2023 at 8:30 a.m.

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Lee Buenconsejo-Lum, Acting Dean and Kelley Withy, MD, Professor, Department of Family Medicine and Community Health, Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director John A. Burns School of Medicine

And
Bonnie Irwin, Chancellor
University of Hawaiʻi at Hilo
And
Michael Bruno, Provost
University of Hawaiʻi at Mānoa

HB 82 - RELATING TO HEALTH CARE PRECEPTORS

Chair Belatti, Vice Chair Takenouchi, and Members of the Committee:

This testimony is presented on behalf of UH System, including John A. Burns School of Medicine (JABSOM), UH Mānoa Nancy Atmospera-Walch School of Nursing (NAWSON), the Thompson School of Social Work and Public Health, and the UH Hilo Daniel K. Inouye College of Pharmacy and School of Nursing.

Thank you for the opportunity to testify in **strong support** of HB 82 which amends the successful Preceptor Tax Credit program that allows for income tax incentives to health care providers who volunteer to provide clinical training for Hawaii's future health care workforce. HB 82 clarifies the definition of "preceptor" and "volunteer based supervised clinical training rotation" to improve accessibility for volunteer providers to receive income tax credits for serving as preceptors. However, the measure does not encompass all the changes to the law that the Preceptor Tax Credit Assurance Committee (Committee) worked on during 2022 and reached consensus upon. Accordingly, we request that the language of HB 82 be replaced with the language contained in HB 1450 as HB 1450 fully details the changes to the program the Committee seeks. Doing so would strengthen the preceptor tax credit program by:

- 1. Improving accessibility for providers to receive income tax credits for acting as preceptors;
- 2. Adding physician assistants, social workers, and licensed dieticians to the list of preceptors as these providers are invaluable to the training of future health care professionals and reflects Hawai'i's interprofessional training philosophy; and

3. Including physician assistant, dietitian, and social worker students in the definition of eligible students who are also an integral part of the overall health care system.

In 2017, NAWSON identified a preceptor shortage. Preceptors are volunteer Advanced Practice Registered Nurses (APRN), physicians (MD), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach our students. In speaking to fellow health professional programs, it became evident that the preceptor shortage was not ours alone, but a shared crisis among many of the UH programs in nursing, medicine and pharmacy. In 2018, the Legislature passed Act 43 with the goal to help our state health profession training programs alleviate this crisis by offering state income tax credits for APRN, MD, DO, and PH providers who volunteer as preceptors.

Although the preceptor tax credit program has been successful in attracting more healthcare professionals, questions remain as to the program's language regarding compensation and specialty practice language. This has resulted in fewer providers accessing this tax credit, even though the allocation and credit cap was secured in 2018.

Preceptors, or employed clinical providers who teach students during their workday, with no substantive change to their workload, and no additional compensation for teaching, are concerned that their existing clinical salary equates compensation under the preceptor tax credit provision. Therefore, clarifying the type of the compensation that a preceptor receives would assist in determining eligibility for the tax credit.

Similarly, because over 90% of APRNs are employed, this has affected existing preceptors as well as identifying potential new preceptors. Additionally, as all of our programs lead to primary care certifications and prepare future primary care providers, the educational programs require students to complete specialty rotations to deepen their ability to address common primary care conditions. These specialties include but are not limited to cardiology, endocrinology, pulmonology, and mental and behavioral health. These specialty rotations help the future provider learn when referral to specialists is necessary for a patient and how to refer.

JABSOM as well as other healthcare professions rely on volunteer preceptors who provide training and supervision to our students and residents. These preceptors play a vital role in educating the next generation of physicians, APRNs, pharmacists and other healthcare professions. The amendments to the definitions of "preceptor" and "volunteer-based supervised clinical training program" contained in HB 82 will expand the field of preceptors so that we may grow our training programs for primary care providers.

Practicum placements are a signature component of both undergraduate and graduate social work education. Students' work in community-based organizations provides space for their academic work to be applied to real world situations. In order for student practicums to occur, each student must be matched with an individual field instructor

who is required by our accrediting body to be a social worker. With the current workforce shortage of social workers and the high needs for their services in the state and beyond, we find it increasingly difficult to recruit practicum instructors. A practicum instructor's work with a student is considered beyond the normal scope of their day to day duties. We recognize the tremendous resource social work practicum instructors provide and know the success of the preceptor tax credit in allied professions has been tremendous. Social workers in Hawai'i would very much welcome the opportunity to access this tremendous benefit to support a vital workforce for community wellbeing.

The education training path for a pharmacist differs from nursing and medicine as well as the way clinical pharmacists' practice. The pharmacy student training curriculum stresses foundation building in the first three years of a four-year curriculum. The final fourth year includes both advanced primary care and specialty care pharmacy rotations. This training is based upon the profession's pharmacist role that combine both primary care (general medication management) and specialty disease management regardless of whether the practice setting is in the hospital or acute care setting, outpatient clinic or retail/specialty community pharmacy.

A pharmacist may receive a referral for a specific area of care (diabetes, blood pressure, asthma) however, in order to address the patient's specific need, review of the entire medication profile from a generalist standpoint must occur first. For example, a diabetes certified pharmacist receives a referral to initiate and maintain a diabetes medication(s) and monitor the disease. In order to manage the diabetes itself, the pharmacist must address the entire medication profile and all of the patient's disease states, especially chronic diseases that include major organ systems such as heart, kidney, liver and other major areas. Ongoing management of all medications and diseases is performed on a routine basis with the patient being part of the pharmacist's panel for ongoing management. This pharmacist becomes the 'primary' health care professional in regards to medication related diseases.

Thank you for your longstanding support of the state healthcare workforce development and healthcare education in Hawai'i.