



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education on
Thursday, February 16, 2017 at 2:04 p.m.

by

Jerris Hedges, MD, Dean

and

Kelley Withy, MD, Professor, Department of Complementary and Integrative Medicine
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director

John A. Burns School of Medicine

University of Hawai'i at Mānoa

HB 916 HD1 – RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS

Chair Woodson, Vice Chair Hashem, and members of the committee:

Thank you for this opportunity to testify in **strong support** of HB 916 HD1, provided that its passage does not replace or adversely impact priorities as indicated in our Board of Regents Approved Biennium Budget. This measure permits continuation of the Hawai'i State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawai'i. This program is possible through a grant from the federal government but requires a local dollar for dollar match. Funds have been provided in the past from HMSA, Queens, AlohaCare, University Health Alliance, Ohana Health Plan, Maui Memorial, Lāna'i Community Health Center and Kalihi Palama Health Center. However the funds provided are not enough to maintain the program. Without State support, Hawai'i will not be able to reapply for the grant, and the program will end this year.

Hawai'i has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawai'i do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. The Hawai'i State Loan Repayment program has helped 25 providers since its inception in 2012. Of the program graduates, 2/3 are still practicing in underserved areas of Hawaii.

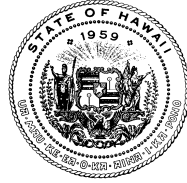
In 2016, 64% of JABSOM residents and fellows had a current student loan burden. The average student loan indebtedness of our JABSOM MD residents/fellows is \$235,000, with some residents having loans in the \$300,000-600,000 range. These loans, with average minimum monthly payment of \$500, begin repayment while in residency training, in addition to the high cost of living, rent and other living expenses. The high

cost of college and medical education results in large student loan debt -- which detracts from physicians choosing primary care specialties and choosing to practice in underserved or rural communities.

If a physician does his or her medical school AND residency (or Graduate Medical Education or GME) training here in Hawai'i, about 80% of them stay in Hawai'i to practice. Having loan repayment options tied to commitments to serve in neighbor-island, rural and underserved populations will help to reduce the physician shortages in those areas. The loan repayment program has played an important role in bringing needed physicians and healthcare providers to underserved areas.

The sum of \$250,000 for loan repayment is requested for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawai'i and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need.

Thank you for this opportunity to testify.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of HB916
RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.**

REPRESENTATIVE JUSTIN WOODSON, CHAIR
HOUSE COMMITTEE ON HIGHER EDUCATION

Hearing Date: February 16, 2017

Room Number: 309

1 **Fiscal Implications:** Undetermined general fund appropriation to the Department of Health.

2 **Department Testimony:** The Department of Health supports a loan repayment program for
3 health care professionals to increase provider supply and access to care in rural and underserved
4 areas, and recognizes the leadership of the John A. Burns School of Medicine of the University
5 of Hawaii at Manoa in assuring the success of this resource.

6 The department defers to the University of Hawaii on the sufficiency of an appropriation request,
7 and so long as it does not replace priorities requested in the Executive Budget.

8 **Offered Amendments:** None.

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DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA
DIRECTOR

LEONARD HOSHIJO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.labor.hawaii.gov
Phone: (808) 586-8844 / Fax: (808) 586-9099
Email: dliir.director@hawaii.gov

February 16, 2017

To: The Honorable Justin H. Woodson, Chair,
The Honorable Mark J. Hashem, Vice Chair, and
Members of the House Committee on Higher Education

Date: Thursday, February 16, 2017
Time: 2:04 p.m.
Place: Conference Room 309, State Capitol

From: Linda Chu Takayama, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 916 HD1 Relating to Loan Repayment for Health Care Professionals

I. OVERVIEW OF PROPOSED LEGISLATION

HB 916 proposes to appropriate funds to the department of health to fund the loan repayment program administered through the John A. Burns School of Medicine to provide loan repayment for physicians, physician assistants, nurse practitioners, psychologists, social workers, licensed professional counselors, and marriage and family therapists who agree to work in a federally-designated health professional shortage area or an area of Hawaii found to be underserved.

The Department supports this bill provided its passage does not replace or adversely affect priorities identified in the Governor's Executive Budget request.

II. CURRENT LAW

Act 166 (SLH, 2015) established the Hawaii Healthcare Workforce Advisory Board (§371-19.2) to advise DLIR on strategies for developing the healthcare industry workforce. The Advisory Board was an outgrowth of Healthcare Skill Panels* convened in 2010 among 150 healthcare professionals and educators to identify skill shortages and recommend strategies to reduce or avoid the shortages.

Advisory Board members include DLIR as Chair and representatives from the Department of Health, University of Hawaii, the Community Colleges, Center on Nursing, and health professionals.

III. COMMENTS ON THE HOUSE BILL

Reducing the tremendous burden of student debt will encourage more health professionals to continue working in underserved areas and thereby help reduce the pressing need for healthcare workers in those areas.

For this reason, the Department supports this bill as an effective strategy to address shortages in the healthcare workforce in underserved areas, provided sufficient funds are appropriated and its passage does not replace or adversely affect priorities identified in the Governor's Executive Budget request.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Justin H. Woodson, Chair
The Honorable Mark J. Hashem, Vice Chair
Members, Committee on Higher Education

From: 
Paula Yoshioka, Senior Vice President, The Queen's Health Systems

Date: February 14, 2017

Hrg: House Committee on Higher Education Hearing; Thursday, February 16, 2017 at 2:04pm
in Room 309

**Re: Support for HB 916, HD1, Relating to Loan Repayment for Health Care
Professionals**

My name is Paula Yoshioka and I am a Senior Vice President at The Queen's Health Systems (QHS). We would like to express our **support** for HB 916, HD1, Relating to Loan Repayment for Health Care Professionals. This bill makes an appropriation for the health care professionals loan repayment program administered through the John S. Burns School of Medicine (JABSOM). The loan repayment program provides financial assistance to certain health care workers who agree to work in a federally-designated health professional shortage area or an area of Hawaii found to be underserved.

At QHS, we support our local students and graduates who would like to live and work in Hawaii through internship and residency programs. In FY 2015 we spent \$14.4 million in education and training to support current and future health care professionals in the community. It is evident that the high cost of living in Hawaii, coupled with the prospect of having to pay back student loans, creates a real barrier for students who may be interested in pursuing a career in rural or medically underserved areas of the state. Hawaii currently experiences a shortage of over 500 physicians and almost all other types of primary and behavioral health care workers particularly in rural and underserved areas. Providing financial assistance to students interested in health care careers is one way that we can start to address this issue.

This legislation shows a commitment to and investment in our local students and communities. Loan repayment programs will support efforts to fill in gaps in the state's health care workforce and will also benefit our underserved communities.

We ask you to support the health care professionals loan repayment program. Thank you for your time and attention to this important issue.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

To: The Honorable Justin H. Woodson, Chair
The Honorable Mark J. Hashem, Vice Chair
Members, Committee on Higher Education

From: Gerard Akaka, MD, Vice President, The Queen's Health Systems

Date: February 15, 2017

Hrg: House Committee on Higher Education Hearing; Thursday, February 16, 2017 at 2:04pm
in Room 309

Re: Support for HB 916, HD1, Relating to Loan Repayment for Health Care Professionals

My name is Gerard Akaka, MD, and I am a physician and the Vice President of Hawaiian Affairs at The Queen's Health Systems (QHS). I would like to express my **strong support** for HB 916, HD1, Relating to Loan Repayment for Health Care Professionals. This bill makes an appropriation for the health care professionals loan repayment program administered through the John S. Burns School of Medicine (JABSOM). The loan repayment program provides financial assistance to certain health care workers who agree to work in a federally-designated health professional shortage area or an area of Hawaii found to be underserved.

As a parent who helped put my children through college, I'm keenly aware of the debt burden that is incurred during training. The student loans are similar to house payments in other states. New health professionals must also use a substantial part of their income to pay for housing in Hawaii. I'm concerned that our new graduates will struggle to live in Hawaii and remain hopeful that some or many might be helped by loan repayment assistance.

I ask you to support the health care professionals loan repayment program and pass HB 916, HD1.

Thank you for your time and attention to this important issue.

February 16, 2017; 2:04 pm
Conference Room 309

House Committee on Higher Education

To: Representative Justin Woodson, Chair
Representative Mark Hashem, Vice Chair

From: Michael Robinson
Vice President – Government Relations & Community Affairs

Re: HB 916, HD1 – Testimony in Support

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

I am writing in support of HB 916, HD1 which requests an appropriation for the healthcare professionals loan repayment program administered through the John A. Burns School of Medicine (JABSOM). The continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii plays a vital role in addressing the shortage of healthcare professionals in the state. Hawaii has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. JABSOM has successfully administered the program which has helped 25 healthcare providers since the program began in 2012. To date, 2/3 of those providers continue to work in underserved communities.

Thank you for the opportunity to provide testimony on this bill.

To: The Honorable Justin H. Woodson, Chair
The Honorable Mark J. Hashem, Vice Chair
Members, Committee on Higher Education

From: John Misailidis, MD, The Queen's Health Systems

Date: February 14, 2017

Hrg: House Committee on Higher Education Hearing; Thursday, February 16, 2017 at 2:04pm
in Room 309

Re: Support for HB 916, HD1, Relating to Loan Repayment for Health Care Professionals

My name is John Misailidis, MD, and I am a physician at the Queen Emma Clinics at The Queen's Health Systems (QHS). I would like to express my **support** for HB 916, HD1, Relating to Loan Repayment for Health Care Professionals. This bill makes an appropriation for the health care professionals loan repayment program administered through the John S. Burns School of Medicine (JABSOM). The loan repayment program provides financial assistance to certain health care workers who agree to work in a federally-designated health professional shortage area or an area of Hawaii found to be underserved.

Queen Emma Clinics is the primary teaching clinic for the University of Hawaii Internal Medicine Residency Program. We take care of a primarily underserved population, and act as a safety net. We supervise medical students and resident physicians, many of whom become the future physician workforce of Hawaii. I am a mentor and advisor for these students and resident physicians. Some desire to practice in rural areas of Hawaii, or with the underserved population, and I strongly encourage them to do so. Unfortunately, most resident physicians decide against this career path.

The burden of student loans, high cost of living, and the relatively lower income working in these areas act as barriers. Physicians who decide to work in rural areas, or with the underserved, often do so at significant financial disadvantage, and risk not being able to pay off their student loans.

By supporting HB 916, HD1, you would provide considerable incentive for physicians to work in these high need areas, and to help take care of Hawaii's most vulnerable patients. Please vote in favor of HB 916, HD1.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 10:46 AM
To: HEDtestimony
Cc: ecabatu@hhsc.org
Subject: *Submitted testimony for HB916 on Feb 16, 2017 14:04PM*

HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Elena Cabatu	East Hawaii Region of Hawaii Health Systems Corporation	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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HAWAII ACADEMY OF FAMILY PHYSICIANS

Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017

Relating to the Hawaii State Loan Repayment Program

Aloha Chair Woodson, Vice Chair Hashem and members of the committee:

Thank you for this opportunity to testify in **strong support** of HB 916, which permits continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii. This program is possible through a grant from the federal government but requires a local dollar for dollar match. Funds have been provided in the past from HMSA, Queens, AlohaCare, University Health Alliance, Ohana Health Plan, Maui Memorial, Lanai Community Health Center and Kalihi Palama Health Center. However the funds provided are not enough to maintain the program. Without State support, Hawaii will not be able to reapply for the grant, and the program will end.

Hawaii has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. The Hawaii State Loan Repayment program has helped 25 providers since its inception in 2012. Of the program graduates, 2/3 are still practicing in underserved areas of Hawaii.

HB 916 requests \$250,000 for loan repayment for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawaii and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need.

Thank you for this opportunity to testify.

President, Hawaii Academy of Family Physicians

95-390 KUAHELANI AVENUE • MILILANI, HI • 96789
PHONE: 808-627-3244 • FAX: 808-627-3262

Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017

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HB 916 requests \$250,000 for loan repayment for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawaii and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need.

Thank you for this opportunity to testify.

Erica Davis
Hawaii AHEC Associate Director
(808) 692-1069



949 Kamokila Boulevard, 3rd Floor, Suite 350, Kapolei, HI 96707
808.675.7300 | www.ohanahealthplan.com

February 15, 2017

To: The Honorable Chair Justin Woodson
House Committee on Higher Education

From: 'Ohana Health Plan
Danny Cup Choy; Director, Government Affairs

Re: HB916 HD1, Relating to Loan Repayment for Health Care Professionals;
In Support
February 16, 2017; Conference Room 309

'Ohana Health Plan ('Ohana) is a member of the WellCare Health Plans, Inc.'s ("WellCare") family of companies and provides healthcare for Hawai'i residents statewide. Since 2009, 'Ohana has utilized WellCare's national experience to develop a Hawai'i -specific care model that addresses local members' healthcare and health coordination needs. By focusing on the state's Medicaid and Medicare population, 'Ohana serves Hawaii's most vulnerable residents: low-income, elderly, disabled, and individuals with complex medical issues. Our mission is to help our members' lead better, healthier lives.

'Ohana Health Plan offers our **support** of HB916 HD1, which makes an appropriation for the health care professionals' loan repayment program administered through the John A. Burns School of Medicine.

It is no secret that we face a provider shortage in our state. Supporting healthcare professionals, particularly those who serve Hawaii's underserved populations, through a loan repayment program is an incentive to encourage more growth in this vital job sector. We support this bill as a key initiative to help with Hawaii's provider shortage, which will hopefully result in greater access to quality care for all of our state's residents.

Thank you for the opportunity to submit testimony on this measure.



February 16, 2017 at 2:04 PM
Conference Room 309

House Committee on Higher Education

To: Chair Justin H. Woodson
Vice Chair Mark J. Hashem

From: Paige Heckathorn
Senior Manager, Legislative Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 916 HD 1, Relating to Loan Repayment for Health Care Professionals

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 180 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

The Healthcare Association of Hawaii would like to thank the committee for the opportunity to **support** HB 916 HD 1, which would provide \$250,000 in funding to help students who are educated in Hawaii in the medical field receive help repaying their loans after graduation. This measure is important because it will encourage these students to stay and practice in the state. It is critical that we invest in programs to develop and retain providers here in Hawaii so that we can start to address the shortages that are particularly problematic on our neighbor islands.

This funding will create new opportunities for students in the state and provide needed incentives to strengthen the workforce. For example, it has been shown that of physicians who receive their medical degree and their training here in Hawaii, 80 percent will stay and practice in that community or one nearby. We are appreciative of attempts to direct funding towards effective and important programs such as this and humbly request your support for this measure.

Thank you for your time and consideration of this matter.



Hawai'i Psychological Association

For a Healthy Hawai'i

P.O. Box 833
Honolulu, HI 96808

www.hawaiipsychology.org

Phone: (808) 521-8995

Testimony in Support of House Bill No. 916 Relating to Loan Repayment for Health Care Professionals Thursday, February 16, 2017, Conference Room 309

Honorable Chair Woodson, Honorable Vice-Chair Hashem, and Members of the Committee,

The Hawai'i Psychological Association strongly supports HB 916 regarding student Loan Repayment.

Hawai'i psychologists understand how crucial it is to support new professionals who want to stay in Hawai'i and help our people. We are all too aware that graduate education is expensive, and high student loan costs combined with the high cost of living in Hawai'i can price young professionals out of our practice community. We believe that student loan repayment programs will help keep much-needed professionals in Hawai'i. We are pleased that this bill supports psychologists as well as psychiatrists and other mental health professionals.

Mahalo for this opportunity to offer testimony in support of HB 916.

Respectfully submitted,

Raymond A. Folen, Ph.D., ABPP
Executive Director
Hawai'i Psychological Association

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 4:42 PM
To: HEDtestimony
Cc: mamaupin@hotmail.com
Subject: *Submitted testimony for HB916 on Feb 16, 2017 14:04PM*

HB916

Submitted on: 2/14/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Maupin	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017

Relating to the Hawaii State Loan Repayment Program

Aloha Chair Woodson, Vice Chair Hashem and members of the committee:

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I currently receive this award for loan repayment and work at the Federal Detention Center-Bureau of Prisons Honolulu. Without this award, I would have moved to another facility with a higher HPSA score. Pls support this bill.

Thank you for this opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 1:08 PM
To: HEDtestimony
Cc: rhkwine@gmail.com
Subject: *Submitted testimony for HB916 on Feb 16, 2017 14:04PM*

HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Ryan Kadota	Individual	Support	No

Comments:

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HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376
www.hawaiimedicalassociation.org

LATE

FROM:
HAWAII MEDICAL ASSOCIATION
Dr. Christopher Flanders, Executive Director
Lauren Zirbel, Community and Government Relations

TO:
HOUSE COMMITTEE ON HIGHER EDUCATION
Representative Justin Woodson, Chair
Representative Mark Hashem, Vice Chair

DATE: Thursday, February 16, 2017
TIME: 2:04 p.m.
PLACE: Conference Room 309
State Capitol

HB 916HD1
Position: Support

The Physician Workforce Assessment estimated that in 2015, Hawaii faced a physician shortage of about 655 FTE's that will increase to 800 FTE's across all specialties by 2020. An acute physician shortage will have a profound impact on health care access, quality and costs, especially for native Hawaiians who are already underserved. With an average medical student debt for indebted graduates of \$160,000, debt plays a major role in career decisions and impacts the supply of our state's physicians.

Medical education remains the most expensive postsecondary education in the United States, with over one-third of all graduates carrying debt balances of more than \$200,000. This significant financial burden can have a considerable effect on students' choice of practice area. Although many students enter medical school planning to pursue family medicine, geriatrics or other careers in primary care, pressure arising from debt concerns often cause graduates to eschew these goals in order to pursue higher paying specialties. This high debt burden may dissuade students from attending medical school altogether, especially students from diverse ethnic and socioeconomic backgrounds. According to surveys of the American Association of Medical Colleges, under-represented minorities cited cost of attendance as the top deterrent to applying to medical school. With recent health reforms seeking to eliminate health care disparities amongst the U.S. population, increasing the number of minority physicians is important to ensure a work force more reflective of the general population.

HMA OFFICERS

President – Bernard Robinson, MD President-Elect – William Wong, Jr., MD Secretary – Thomas Kosasa, MD
Immediate Past President – Scott McCaffrey, MD Treasurer – Michael Champion, MD
Executive Director – Christopher Flanders, DO



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814

Phone (808) 536-7702 Fax (808) 528-2376

www.hawaiimedicalassociation.org

The American Medical Association recommends:

- Making medical student loan interest rates variable and capped at no more than 5 percent
- Income tax exemptions for medical student scholarships
- Making medical student loan interest fully tax deductible for borrowers
- Creating more opportunities for debt relief through tuition assistance and loan forgiveness programs

Reducing medical student indebtedness promotes diversity within medicine and may contribute to a reduction in the shortage of primary care physicians. Fair, low interest rates, tax relief, tuition assistance, and loan forgiveness and repayment programs lower barriers to medical education for disadvantaged students. In addition, borrowers with less debt are more likely to begin careers in medical education and research, practice medicine in medically underserved areas, or enter careers in public health service.

The HMA supports access to medical care for underserved populations by providing student loan repayment options for primary care physicians serving in communities with limited access to health services.

HMA OFFICERS

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Immediate Past President – Scott McCaffrey, MD Treasurer – Michael Champion, MD
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The Twenty-Ninth Legislature
Regular Session of 2017



THE HOUSE
Committee on Higher Education
Representative Justin H. Woodson, Chair
Representative Mark J. Hashem, Vice Chair
State Capitol, Conference Room 309
Thursday, February 16, 2017; 2:04 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 916 HD 1
RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS**

The ILWU Local 142 supports H.B. 916 HD 1, which makes an appropriation for the health care professionals loan repayment program administered through the John A. Burns School of Medicine.

The current shortage of doctors is a national problem today, and this shortage has affected essentially all of the states, including Hawaii. In fact we have had recent assessments made of the doctors' and other health care professionals' shortage in Hawaii, which reflects an acute situation approaching a crisis. This is particularly true for the neighbor islands and other rural areas that are currently underserved.

For example, this has affected injured workers, under the workers' compensation system preventing them from accessing any medical treatment. When there is a delay in providing medical treatment usually this leads to greater permanent impairment, which does not help any of the parties.

Given the limited number of doctors providing care on Kauai, there is currently no psychiatrist or psychologist who is willing to treat workers who sustain industrial injuries. This prevents injured workers, suffering from injuries involving behavioral health, to access medical care on the island. We need to be able to effectively address the shortage of doctors throughout the State. This will help all residents in Hawaii have access to good medical care.

The loan repayment program administered by the John A. Burns School of Medicine is the only program of its kind in our State. It is also one of the important tools that are needed, to adequately address the doctor shortage situation over the long term.

The ILWU urges passage of H.B. 916 HD 1. Thank you for the opportunity to share our views and concerns on this matter.

LĀNA`I COMMUNITY HEALTH CENTER

P. O. Box 630142
Lāna`i City, HI 96763-0142



Phone: 808-565-6919
Fax: 808-565-9111
dshaw@lanaicommunityhealthcenter.org

Late
Testimony

The Community is our Patient -- men, women, children, uninsured, insured!

Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017

Relating to the Hawaii State Loan Repayment Program

Aloha Chair Woodson, Vice Chair Hashem and members of the committee:

Thank you for this opportunity to testify in **strong support** of HB 916, which permits continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii. This program is possible through a grant from the federal government but requires a local dollar for dollar match. Funds have been provided in the past from HMSA, Queens, AlohaCare, University Health Alliance, Ohana Health Plan, Maui Memorial, Lanai Community Health Center and Kalihi Palama Health Center. However the funds provided are not enough to maintain the program. Without State support, Hawaii will not be able to reapply for the grant, and the program will end.

Hawaii has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. The Hawaii State Loan Repayment program has helped 25 providers since its inception in 2012. Of the program graduates, 2/3 are still practicing in underserved areas of Hawaii.

HB 916 requests \$250,000 for loan repayment for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and

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be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawaii and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need.

Late
Testimony

It is interesting that year after year, we read stories and have many examples about workforce shortages that inhibit the ability our communities to get basic health care services. In spite, of the comments and speeches made by State official about these shortages, the State has not funded this program — in spite of the federal match. As a FQHC, we have our own internal loan repayment program. This program is funded by our General Funds, however, it is limited to \$3-5,000 a year per person, depending upon our general finances and the number of staff that we need to fund. For the past two years, we have leveraged with our program by donating to the State program for a match. This process assures that our employees are funded (which in turn means they remain with LCHC rather than going to another site more likely to obtain National Health Service Corp (NHSC) loan payment. Please note that, without this state program, even though our organization is part of the NHSC, Corp candidates generally chose a more urban setting — Oahu, Maui, or Kauai — so our only option to guarantee LCHC employees obtain loan repayment is the State program with Federal and our match. Please take action this year, and fund this program. Walk the talk!

Thank you for this opportunity to testify.

A handwritten signature in black ink, appearing to be 'DVK' followed by a flourish.

LATE

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HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
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HB916

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Submitted By	Organization	Testifier Position	Present at Hearing
Kenneth Nakamura	Individual	Support	No

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There is a present and growing shortage of primary care and specialty care health care providers in Hawaii and what the State can do to address this problem. The population of the State of Hawaii continues to grow at a rate of more than one percent a year and Hawaii has one of the oldest populations in the United States. Much of the population growth is on the neighbor islands. But the John A. Burns School of Medicine (JABSOM) reported to the Legislature that for its population, Hawaii has a present shortage of 900 physicians with the most acute shortage being for primary care physicians on the islands other than Oahu. With a continuing growth in need, the shortage may climb to 1500 by the end of the decade. State law already recognizes the risk this shortage poses to the health of the population and continuing to merely study the problem is not a sound policy decision.

The soundest way to address this shortage is for the State to fully fund the Hawaii State Loan Repayment Program. This program uses matching funds from the federal government to help repay the loans of primary care physicians, nurse practitioners, physician assistants and other primary care providers who agree to practice in Health Care Practitioner Shortage Areas (HPSA) for two or more years. This will provide a powerful tool for clinics and hospitals to immediately recruit for the neighbor islands as well as rural Oahu. The State of Hawaii has never allocated money to the fund.

The long-term solution to ensure the health of the citizens of Hawaii is for the state to increase the class sizes at JABSOM and particularly graduate medical education (residency) in primary care. More than 85 percent of physicians who attend JABSOM and complete their residency in Hawaii remain in Hawaii. The state must grow its own supply of primary care practitioners as Hawaii's high cost of living and lower health care pay make recruitment of practitioners from the mainland very difficult.

The State of Hawaii faces a problem in ensuring the health of the population as the state. A survey conducted by JABSOM showed that 2,900 doctors are licensed to treat patients in Hawaii but this is nearly 900 doctors short of the amount it should have based on population, according to the University of Hawaii's John A. Burns School of Medicine's (JABSOM) Area Health Education Center. (JABSOM AHEC, 2015) The shortage is expected to jump as high as 1,500 by 2020, school researchers said. The current deficit is the greatest on Oahu, but the impact of a lack of health care providers is most severe on the neighbor islands. The greatest need is for primary care doctors versus specialists. (Hawaii News Now, 2016)

The shortages by area of practice based on the size of Hawaii's overall population: Family medicine (174 additional doctors needed); General Surgery (57 needed) ; Pathology (44 needed); Internal Medicine (39 needed); Orthopedic Surgery (36 needed); Cardiology (32 needed); Anesthesia (31 needed); and Neurology (31 needed) (AHEC, 2015).

In the 2015 Hawaii Physician Workforce Assessment, Executive Summary published by the Area Health Education Center explained, "every year the demand for physicians in the State of Hawaii increases by 50 FTEs due to population growth and aging, therefore this actually represents an expanding shortage of physician supply versus demand." (AHEC, 2015)

The shortage of physicians is expected to get worse not only as Hawaii's population grows, but because of the future retirement of many physicians. Forty-one percent of Hawaii's physicians are 55 or older compared with 29% for the US average. (AHEC, 2015)

This problem of insufficient care providers and particularly the shortage of physicians has been known to the State of Hawaii since at 2007 when SL 219 was passed and signed into law. The act," recognized that the State's anticipated population demographic changes, specifically its

growth and aging, will significantly increase the demand for physician services. Alarmingly coinciding with this, federal statistics show that more than a third of our State's physicians are 55 and older and are expected to leave the workforce at a time when demand is escalating. The Legislature further acknowledged that physician shortages reduce access to care. Physician workforce shortages will significantly raise the already sky-high cost of healthcare. The overall impact of this identified anticipated shortage will likely severely impact neighbor island residents and the elderly, and the indigent, statewide.” (Hawaii Health Care Workforce Assessment, 2009)

The 2009 update to the SL 219 called “for development of a plan to mitigate supply/demand imbalances.” (Hawai‘i Physician Workforce Assessment Project, 2010) In December of 2010, the University of Hawaii’s John A. Burns School of Medicine's Area Health Education Center was hired to prepare a report that was presented to the Legislature in January 2011. The written testimony reported to the Legislature that the state was short 600 physicians and that the shortage could grow to 1600 by the year 2020. (Hawai‘i Physician Workforce Assessment Project , 2010)

Between 2000 and 2010 the population of Hawaii grew 12.3 percent. (United States Census, 2010). Recent projections by the State of Hawaii project a 0.8 percent annual population growth for the state. But the Neighbor islands are growing faster. As a result, “the Neighbor Island population as the share of the state total will increase from 29.9 percent in 2010 to 36.4 percent in 2040, while the corresponding share of the City and County of Honolulu is projected to decrease from 70.1 percent to 63.6 percent.” (Economic Projections for the State of Hawaii to 2040, 2010)

The Director of the Area Health Education Center stated “We don’t have enough training positions to train enough doctors here. We have to recruit them from the mainland. About half of the ones who do come here leave within a few years. (Withy, 2015) A major factor in some doctors leaving Hawaii is the student loan debt with which doctors now graduate. In 2012, physician graduates of John A. Burns School of Medicine at the University of Hawaii on average graduated with \$104,000 in educational debt. (The national median was \$170,000.) Nationally, debt levels for indebted medical school graduates have been rising faster than inflation over the last 20 years. On average, the median amount of education debt for graduates has increased 6.3 percent per year since 1992, compared with 2.5 percent for the Consumer Price Index (CPI). (JABSOM, 2013) Many medical school graduates then go on to residencies that pay them at a level that allows them to live but not make a meaningful start in paying their educational debt.

Pay for physicians is lower in Hawaii and according to the Director of the Hawaii Medical Association, as much as forty percent lower. (Flanders, 2016) This lower pay complicates recruiting of doctors as the cost of living is much higher in Hawaii. One source looked at living costs throughout the United States giving the average cost a value of 100. Overall, Hawaii’s cost of living is 185.20. (Best Places, 2016)

The State has tried to address one of the economic causes of the shortage through the Hawaii State Loan Repayment Program (HSLRP). HSLRP is a grant funded under the Patient Protection and Affordable Care Act of 2010 which gives primary health care providers the incentive to provide care at designated Health Professional Shortage Areas in Hawaii in order to receive assistance in repayment of educational loan debt. The program is open to physicians (allopathic/osteopathic); nurse practitioners; certified nurse-midwives; and physician’s assistants.

Physician specialties may include: Family Medicine, Internal Medicine, Pediatrics, Obstetrics/Gynecology, Geriatrics, or Psychiatry. Nurse practitioners and physician assistant's specialties: Adult, Family, Pediatrics, Ppsychiatry/Mental Health, Geriatrics, or Women's Health.

Awarded recipients are selected by the Hawaii Medical Education Council. A 2 year commitment of service at HSLRP sites is required. HSLRP sites are public or non-profit private entities located in and providing health services in health professional shortage areas, known as HPSA's. HPSA's are defined by HRSA as having shortages of primary medical care, dental or mental health providers and may be geographic, demographic or institutional. These areas include federally-qualified health centers, rural health clinics, critical access hospitals, long-term care facilities, community outpatient facilities, free clinics, school based health clinics, state or federal correctional facilities and solo or group practices. (AHEC2, 2016)

But this policy attempt to address the issue is insufficient. The Hawaii State Loan Repayment Program has received an additional three years of Federal funding at \$250,000 a year for the period of September 1, 2014 through August 30, 2018. This has supported 18 loan repayers with nine continuing on in Hawaii and one in default. But some assistance to 18 providers is insignificant given an 800 physician shortage. Moreover, in written testimony to the Hawaii legislature, the AHEC director stated, "shortages of primary care physician assistants and nurse practitioners add to the shortage of care providers." (AHEC, 2016)

Despite this growth in population and a growing shortage of physicians, the State of Hawaii has never appropriated money to match Federal grants to fund medical and other health care training school loan repayments by the Federal government. The State Loan Repayment Program was established under the Affordable Care Act. It is a federally-funded grant program

to states and territories that provides cost-sharing grants to assist them in operating their own state educational loan repayment programs for primary care providers working in Health Professional Shortage Areas (HPSAs) within their state.”(State Loan Repayment Program, 2016) AHEC administers the program in the state of Hawaii but has to rely on donations from corporations and foundations to match Federal funds. This limits the number of medical professionals it can support with loan repayment. To date AHEC has been able to help with 24 loan repayment grants. (K. Withy personal communication, Oct.2016)

In addressing this shortage that the state recognized 10 years ago, as detrimental to the health of the citizens of Hawaii, the state can take several policy decisions. A policy option would be to take no action and hope that the market forces, expanded use of Nurse Practitioners and Physician Assistants as well as technological advance will alleviate the primary care shortages. (Green, 2013) This solution requires no action, no funding, nor policy changes. But this would not alleviate the specialty trained physician shortage and ignores the need for primary care physicians to be present to supervise the physician assistants. There is a legislative recognition,” That physician shortages reduce access to care. Physician workforce shortages will significantly raise the already sky-high cost of healthcare. The overall impact of this identified anticipated shortage will likely severely impact neighbor island residents and the elderly, and the indigent, statewide.” (Hawaii Health Care Workforce Assessment 2009) It seems inequitable to the Hawaiian population on islands other than Oahu to not take some action. Inaction has not brought an increase in physicians and with population growth and the aging of the population, the need for medical care will increase. (Hawaii Health Care Workforce Assessment 2015)

A second option is for the state of Hawaii to appropriate ten million dollars to fund the Hawaii State Loan Repayment Program. The United States Department of Health and Human

Services gives a grant to states to pay student loan debt of primary health care providers who provide care for 2 years at designated Health Professional Shortage Areas (HPSA). The money granted to Hawaii must be matched by funds from the state or other sources. Thirty-five states and the District of Columbia received money for loan repayment last year. (NHSC, 2016) Hawaii has never appropriated money to match the federal grant and this has limited the number of primary care providers who could be awarded loan repayment to 18. (Federal grant money was matched with foundation contributions) This proposed policy action is based on the assumption that one of the limits in recruiting primary care physicians is the considerable student loan debt most young physicians have when they complete their residency. This action seems the most efficient as it leverages available Federal grant money to help recruit primary care providers. Ten million dollars would allow for the recruitment and repayment of student debt of 150 primary care providers. This loan repayment would be available to not only physicians but nurse practitioners and physician assistants who deliver primary care in an HPSA. This repayment program for all primary care providers is important for while Hawaii Pacific University and the University of Hawaii prepare Nurse Practitioners, there is no training program for physician assistants here in Hawaii. (University of Hawaii, 2016) State funding of the Hawaii State Loan Repayment Program would give Hawaii health care institutions a powerful tool to recruit physician's assistants, particularly to rural underserved areas of the neighbor islands. This will allow for the immediate recruitment of primary care providers to address shortages and deliver health care to underserved populations. The risk is that primary care providers will leave Hawaii after completing the two-year period of service in an HSPA due to the high cost of living in Hawaii.

A final policy action would be to appropriate additional funds to the John A. Burns School of Medicine to increase Graduate Medical Education (residency). This policy action would immediately increase the number of physicians practicing in Oahu as residents studying at the eight primary training facilities and the five training affiliates. (Hawaii Residency, 2015) This also holds a strong potential for the long-term supply of physicians. Hawaii has an 85.8 percent retention rate for physicians who graduated from medical school and completed their GME in Hawaii. (Becker's, 2013) However, increasing the size of the Graduate Medical Education will take time. A doubling of graduate medical students at the John A. Burns School of Medicine to 500 students and the retention of 85 percent would be the best long term solution. But with no single teaching hospital and the dispersion of residents to other facilities that need to absorb them, there are challenges. It is also an expensive solution as it costs between 208,000 and 181,000 dollars a year to train an internal medicine resident. Much of this cost is made up in insurance and other payers payments for care delivered by residents. (Ben-Ari, Robbins, Pindiprolu, Goldman, Parsons, 2104)

The problem being addressed is what policy changes can help to address the shortage of physicians and particularly primary care physicians in Hawaii. A more accurate description offered by Bodenheimer and Smith (2013) is that this is “more accurately portrayed as a gap between the adult population’s demand for primary care services and the capacity of primary care, as currently delivered, to meet that demand.” But they then go on to recognize that a shortage of clinicians including primary care physicians is a major contributing factor.

Of the three alternatives posed, there are projected outcomes that affect the health of the population of the state of Hawaii. By not taking any policy action, the state will likely see deterioration in the health of the citizens as well as increased costs for health care. Looking at the

health benefits of primary care physicians a study found, “For state-level all-cause mortality, an increase in primary care supply is predicted to reduce mortality by 41 to 85 per 100,000, averaging about 68 per 100,000. At the state level, over the period 1985–1995, an increase in primary care physician supply was associated with moderate decreases in low birth weight, infant mortality, and stroke mortality rates. At the county level, primary care supply was associated with moderate reductions in heart disease and cancer mortality.” (Macinko, Starfield, and Shi, 2007) One could hope the shortage would motivate more rural clinics, primary care practices and community hospitals to hire more primary care providers to address a consistently growing Hawaiian population.

In assessing the likely outcomes of increasing state funding of the Hawaii State Repayment Program, there are reasons to believe that there will be the ability to generate more primary care. The funding will provide incentives for primary care clinicians (physicians, nurse practitioners and physician assistants) to accept employment in HPSAs in Hawaii. However there is the risk that this loan repayment will go to a primary care provider who will leave the HPSA or Hawaii on the completion of the required service period. The National Health Service Corps (NHSC) is a Federal program of the Health Resources and Services Administration that provides scholarships and loan repayment to primary care providers practicing at approved sites located in/or serving Health Professional Shortage Areas (HPSAs). A study of NHSC participants in Idaho found that 44% of primary care professionals left the HPSA practice area after their 3 year commitment (Powell, 2012) This risk is somewhat offset by the need to get primary care clinicians to address current needs and the fact that the State is only paying fifty percent of the money for loan repayment. The remaining fifty percent is paid by the Federal government. There is also the very real risk that despite the greater availability of loan

repayment, HSPA medical practices and clinics will not have sufficient money to offer salaries to primary care clinicians to attract them to the high cost areas of the neighbor islands.

The risk of primary care clinicians leaving the HSPA or Hawaii can be reduced by recruiting clinicians with educational, social and familial ties to Hawaii. There are strong indicators that a familiarity with life and medical practice in an environment promotes the long term retention of the clinician. "Clinicians who are older than 29 years, non-Hispanic White, have children, and grew up and/or trained in the state where they serve are more likely to anticipate remaining in their service sites than younger, minority, childless, and out-of-state clinicians." (Pathman, Fannell, Konrad, Pierson, Tobin, and Jonsson, 2012) Similarly when looking at retention in the United States Air Force's Medical Corps," completing a military residency was associated with nearly a three-fold increase in the likelihood of remaining for more than 20 years, relative to those who completed a civilian residency. One hypothesis is that a military residency is indicative of greater commitment to military service and/or, the military residency allowed physicians additional time to become acclimated to military culture (Keating, Brauner, Galway, Mele, Burks, and Saloner et al., 2009). Similarly, a Michigan Department of Community Health 2013 study found that," A rural upbringing is one of the most important indicators for providers locating in rural areas." (Michigan, 2013) Like Hawaii most of Michigan's HSPAs are rural.

In confronting this shortage of primary care for the population of Hawaii, these alternative solutions deliver outcomes in the short and long term. The full funding of the Hawaii State Loan Repayment program offers hope for immediate recruitment of primary care providers incentivized by the offer of loan repayment. The risk is that this will not recruit a population of caregivers who will stay past the loan repayment time requirement program in HSPAs in Hawaii.

The growth of General Medical Education at the John A. Burns School of Medicine with an emphasis on recruiting and retaining physicians who trained at Burns offers the best long term solution as indicated by an 85% retention of those who attend medical school and residency in the same state. However, the expansion of the residency programs will take time and unless there is expansion to outer island hospitals, any immediate impact by more doctors studying in primary care residencies will be felt only on Oahu.

The State of Hawaii should fund the Hawaii Loan Repayment Program with 10 million dollars to increase the short-term recruitment of primary care providers with an emphasis of placing primary care providers on the neighbor islands. It should also get the cost estimate from the John A. Burns School of Medicine of what it would take to greatly expand the primary care graduate medical education program with an emphasis on having some residency rotations done on neighbor islands. These policy steps offer the best use of money for delivering primary care to the population as well as building the long term capacity to address the growth and aging of the state's population

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Subject: Submitted testimony for HB916 on Feb 16, 2017 14:04PM



HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
duffy casey	Individual	Support	No

Comments: Testimony Presented Before the House Committee on Higher Education Thursday, February 16, 2017 Relating to the Hawaii State Loan Repayment Program Aloha Chair Woodson, Vice Chair Hashem and members of the committee: Thank you for this opportunity to testify in strong support of HB 916, which permits continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii. This program is possible through a grant from the federal government but requires a local dollar for dollar match. Funds have been provided in the past from HMSA, Queens, AlohaCare, University Health Alliance, Ohana Health Plan, Maui Memorial, Lanai Community Health Center and Kalihi Palama Health Center. However the funds provided are not enough to maintain the program. Without State support, Hawaii will not be able to reapply for the grant, and the program will end. Hawaii has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. The Hawaii State Loan Repayment program has helped 25 providers since its inception in 2012. Of the program graduates, 2/3 are still practicing in underserved areas of Hawaii. HB 916 requests \$250,000 for loan repayment for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawaii and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need. Thank you for this opportunity to testify. Aloha and Mahalo, Duffy Casey, MD OB/GYN Malama I Ke Ola Health Center

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the committee prior to the convening of the public hearing.

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Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017



Relating to the Hawaii State Loan Repayment Program

Aloha Chair Woodson, Vice Chair Hashem and members of the committee:

Thank you for this opportunity to testify in **strong support** of HB 916, which permits continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii. This program is possible through a grant from the federal government but requires a local dollar for dollar match. Funds have been provided in the past from HMSA, Queens, AlohaCare, University Health Alliance, Ohana Health Plan, Maui Memorial, Lanai Community Health Center and Kalihi Palama Health Center. However the funds provided are not enough to maintain the program. Without State support, Hawaii will not be able to reapply for the grant, and the program will end.

Hawaii has a shortage of over 500 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is loan repayment. The Hawaii State Loan Repayment program has helped 25 providers since its inception in 2012. Of the program graduates, 2/3 are still practicing in underserved areas of Hawaii.

HB 916 requests \$250,000 for loan repayment for the above listed health professions. The funds provided will be matched dollar for dollar from other funding sources and be provided to reduce the debt of our healthcare providers working in areas of need. This will allow for 15-20 new healthcare providers a year to work in underserved areas across Hawaii and receive at least \$25,000 a year in loan repayment for practicing at least two years in an area of need.

Thank you for this opportunity to testify.

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 4:42 PM
To: HEDtestimony
Cc: cvancamp3@hawaii.rr.com
Subject: *Submitted testimony for HB916 on Feb 16, 2017 14:04PM*

HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Carol A. VanCamp	Individual	Support	No

Comments:

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Sent: Wednesday, February 15, 2017 11:07 PM
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Cc: erikdru@gmail.com
Subject: Submitted testimony for HB916 on Feb 16, 2017 14:04PM

HB916

Submitted on: 2/15/2017

Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Erik Anderson	Individual	Support	No

Comments: I strongly support of HB 916 for continuation of the Hawaii State Loan Repayment program. This program made a huge difference in making it possible for me work at a community health center in a low income area.

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 7:48 PM
To: HEDtestimony
Cc: laura_cho_stutler@hotmail.com
Subject: Submitted testimony for HB916 on Feb 16, 2017 14:04PM

HB916

Submitted on: 2/15/2017
Testimony for HED on Feb 16, 2017 14:04PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Laura	Individual	Support	No

Comments: My husband Ed Cua receives this award for loan repayment. Had he not received this award we would financially struggle to stay in Hawaii. Please support this bill.

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Testimony Presented Before the
House Committee on Higher Education
Thursday, February 16, 2017



**HB916 – RELATING TO LOAN REPAYMENT FOR HEALTH CARE
PROFESSIONALS.**

Aloha Chair Woodson, Vice Chair Hashem and members of the committee:

I am writing to offer testify in strong support of **HB916**, which provides loan repayment for primary care and behavioral health practitioners in Health Professions Shortage Areas within Hawaii.

Legislators should view this measure as an indirect subsidy of our Community Health Centers, which provide primary care services for many of the neediest residents in our state. In some neighbor island areas, the Community Health Center might be the only source of primary care services for the mainstream population as well as the indigent.

Many of Hawaii's Community Health Centers struggle to recruit and retain high quality practitioners, as the salaries that they offer are often significantly below what primary care and behavioral health providers can obtain in other settings. And with the changes in reimbursement strategy recently adopted by the Federal Government and our local insurance companies, this salary gap will only widen. HB916 offers a partial fix for this challenge.

Without State support Hawaii will not be able to continue a program that has helped 25 healthcare providers since 2012. And more strikingly, of the healthcare providers who have completed the program, two-thirds are still working in underserved areas of Hawaii. This is clearly a worthwhile measure that deserves your vote.

Thank you for allowing me to testify

David Sakamoto
(808) 589-8081
dtsret@gmail.com

