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DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEES ON HEALTH, HUMAN SERVICES, &
HOMELESSNESS AND HIGHER EDUCATION & TECHNOLOGY
ON
HOUSE BILL NO. 1548

February 17, 2022
11:00 a.m.
Room 329 and Videoconference

RELATING TO GRADUATE MEDICAL EDUCATION

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1548 appropriates \$6,700,000 in general funds in FY 23 for the University of Hawai'i at Mānoa, John A. Burns School of Medicine, for the expansion of medical residency and training opportunities in a partnership with the Veterans Administration.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

TESTIMONY ON BEHALF OF HAWAII PSYCHIATRIC MEDICAL ASSOCIATION

To: Chair Ryan Yamane, Vice-Chair Adrian Tam
Chair Gregg Takayama, Vice-Chair Linda Clark
Members of the Committee on Health, Human Services, & Homelessness
Members of the Committee on Higher Education & Technology

From: Dr. Marva Lawson, Legislative Committee Co-Chair
Hawaii Psychiatric Medical Association

Time: 11:00 a.m., February 17, 2022

Re: HB 1548, RELATING TO GRADUATE MEDICAL EDUCATION

Position: **SUPPORT**

On behalf of the Hawaii Psychiatric Medical Association (HPMA) we are writing in support of HB 1548, Relating to Graduate Medical Education. This bill appropriates funds to expand medical school and residency training through the Department of Veterans Affairs graduate medical education programs.

According to the American Psychiatric Association (APA), those with mental health and substance use disorders often delay care due to an inability to access psychiatrists. A persistent shortage of psychiatrists contributes to the lack of access across the country. According to the Health Resources and Services Administration, while the supply of adult psychiatrists is expected to decrease 20% by 2030, the demand for their services is expected to increase by 3%, leaving a shortage of over 12,000 fully-trained psychiatrists. In addition to the current and projected physician workforce shortage, the ongoing COVID-19 public health emergency has highlighted the need for robust investments to address the nation's critical psychiatric workforce shortage. As noted in this bill, the need for Hawai'i primary and behavioral health care professionals is significant. This bill is an important step toward addressing the health care professional gap.

HPMA is a professional, non-profit corporation serving psychiatrists in Hawai'i. It is organized for the purpose of supporting professionalism in the practice of psychiatry and promoting top quality mental health care. HPMA fulfills a dual role, serving as a state association which focuses on local issues and as a district branch of the APA linking HPMA members with developments in mental health care taking place regionally and nationally.

We thank the Committees for considering this legislation and of our testimony, we are available to provide additional information or answer any questions the committee may have.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Health, Human Services, & Homelessness
And
House Committee on Higher Education & Technology
Thursday, February 17, 2022 at 11:00 a.m.

By
Jerris Hedges, MD, Dean and
Lee Buenconsejo-Lum, MD, FAAFP
Associate Dean for Academic Affairs & DIO, UH JABSOM
John A. Burns School of Medicine
And
Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

HB 1548 – RELATING TO MEDICAL EDUCATION

Chairs Yamane and Takayama, Vice Chairs Tam and Clark, and members of the committees:

Thank you for the opportunity to present testimony today. The John A. Burns School of Medicine (JABSOM) **supports HB 1548** which seeks funding to co-recruit key physician educators with the Veterans Affairs (VA) Pacific Islands Healthcare System, provided that its passage does not replace, or impact priorities as indicated in our BOR Approved Budget. The additional physician educators who would be recruited to Hawai'i would deliver health care for veterans in Hawai'i while supervising medical student and resident training. The physician educators would allow an expansion of graduate medical education (GME) training in partnership with the VA.

Many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of physicians and other health care providers in the State. These shortages threaten individual health and cumulatively adversely affect the State's health care costs. The State's neighbor islands, which have been designated by the federal government as medically underserved areas, have been disproportionately adversely affected by shortages of physicians in all areas of practice.

Over the last decade, JABSOM has engaged in multiple strategies to increase the number of physicians in Hawai'i (and the neighbor islands), including the following:

- Enrolling more students,
- Providing more full-support scholarships for students with educational need,
- Rotating medical students to the neighbor islands for preclinical (up to 12 weeks) rotations,

- Developing longitudinal third-year clinical rotation sites where a small number of students are in the same location (often on a neighbor island) for 5 months,
- Developing a small number of sites for 4-week fourth-year clinical rotations (often on neighbor islands),
- Developing limited residency or fellowship rotations on neighbor islands, and
- Administering the state's loan repayment program that places recipients in underserved communities in exchange for help reducing educational debt.

Based on the most recent data from the Hawai'i physician workforce assessment project, the State has a shortage of 537 full-time equivalent physicians. However, when island geography and unmet specialty-specific needs by county are examined, the estimated unmet need for full-time physicians increases to 732. Primary care, internal medicine, and some specialty physician shortages represent Hawai'i's greatest disciplines of need. Without these physicians, the people of Hawai'i do not have access to the health care they need. JABSOM has shown that eighty percent of graduates who complete their medical school and residency training in the State remain in Hawai'i to practice.

There is a strong existing collaboration between JABSOM and the Veterans Affairs Pacific Islands Healthcare System, which if expanded can complement the JABSOM strategies to increase the number of physicians in Hawai'i. The VA currently invests in Hawai'i-based residency positions under the oversight of JABSOM using VA-controlled funding to employ physician teachers and support residency training. Residents and Fellows in Family Medicine, Internal Medicine, Psychiatry, and Geriatrics currently conduct a portion of their training in the VA system. With additional physician teachers, increased federal GME support through the VA GME funding programs will enable JABSOM to expand the number of residency rotations and create new training opportunities in gynecology and several internal medicine subspecialties.

Thank you for this opportunity to testify.

Established in 1998, the Hawai'i State Rural Health Association (HSRHA) is a 501(C)3 non-profit organization dedicated to addressing rural health needs across our island state.

~ Working Together To Promote Healthy Rural Communities ~

Executive Board:

Lisa Rantz, Hawai'i
Judy Mikami, Moloka'i
Valerie Janikowski, Lana'i
Cristin Gallagher, Hawai'i

Board At Large:

Kimberly Kobayashi, Hawai'i
Jessie Marques, Ka'u
Kanani Kaye, Kaua'i
Bridget Collins, Kaua'i
Ray Ho, Kaua'i
Laura Reichhardt, O'ahu
Puanani Hee, Kaua'i
Gregg Kishaba, O'ahu
Kelley Withy, O'ahu

Priorities:

Rural Provider Shortages
Workforce Development
Opioid and Substance Abuse
Primary Prevention
Health Equity

Hawaii State Rural Health Association

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Instagram @hawaiiiruralhealth
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**HAWAI'I STATE
RURAL HEALTH
ASSOCIATION**

February 17, 2022, 11:00 A.M.

Via Video Conference

Health, Human Services & Homelessness and Higher Education & Technology Committees

To: Representatives Yamane and Takayama, Chairs
Representatives Tam and Clark, Vice Chairs

From: Lisa Rantz
President, Hawaii State Rural Health Association

Re: **Testimony in Support of HB 1548
Relating to Medical Education and Training**

The Hawaii State Rural Health Association (HSRHA) respectfully submits written testimony in strong support of HB 1548.

As a non-profit rural health association, our mission is to advocate for rural health issues and promote communication, education and research of issues related to rural health. Our vision is that we are the collaborative health leader for rural communities in Hawai'i.

This measure will enable John A. Burns school of medicine to expand the graduate medical education program by securing needed funding to the expansion of the medical residency and training opportunities in partnership with the Veterans Administration.

The rural areas of Hawaii have the gravest physician shortages in our state. We also know that physicians are more likely to practice where they were educated. Improving access to graduate medical education will help infuse physicians back into our communities and make them more accessible to the veterans seeking healthcare, statewide.

Thank you for the opportunity to provide testimony in strong support of the intent and funding of this measure.



February 17, 2022 at 11:00 am
Via Videoconference

House Committee on Health, Human Services, and Homelessness

To: Chair Ryan I. Yamane
Vice Chair Adrian K. Tam

House Committee on Higher Education and Technology

To: Chair Gregg Takayama
Vice Chair Linda Clark

From: Paige Heckathorn Choy
Associate Vice President, Government Affairs
Healthcare Association of Hawaii

Re: Testimony in Support
HB 1548, Relating to Graduate Medical Education

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 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.

We would like to thank the committee for the opportunity to **support** this measure, which would provide a substantial investment in establishing additional training opportunities for physicians in the state, especially in underserved areas. We understand that this measure is focused on opportunities to leverage existing programs and funds within the federal Veterans' Affairs system and appreciate any creative, efficient proposals to ensure that we can attract, train, and retain physicians in Hawaii.

The pandemic exacerbated existing workforce shortages in the state for physicians, nurses, and other allied healthcare professions that are critical to providing high-quality care for all residents in Hawaii. We support this critical investment in our physician workforce and would urge the legislature to continue their focus and support of all healthcare professions and building a robust healthcare workforce pipeline to ensure access now and into the future.



**Testimony to the House Joint Committee on Health, Human Services, and
Homelessness and Higher Education and Technology
Thursday, February 17, 2022; 11:00 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 1548, RELATING TO GRADUATE MEDICAL EDUCATION.

Chair Yamane, Chair Takayama, and Members of the Joint Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1548, RELATING TO GRADUATE MEDICAL EDUCATION.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would appropriate \$6,700,00 in general funds for fiscal year 2022-2023 for the expansion of medical residency and training opportunities in partnership with the Veterans Administration.

The State of Hawaii is experiencing a severe shortage of health care professionals in the workforce, especially in rural areas. Recent studies note that the current shortage of physicians is at 20% of the total full-time equivalent positions throughout the State. The shortage is especially severe in the fields of primary care, infectious diseases, colorectal surgery, pathology, general surgery, pulmonology, neurology, neurosurgery, orthopedic surgery, family medicine, cardiothoracic surgery, rheumatology, cardiology, hematology/oncology, and pediatric subspecialties of endocrinology, cardiology, neurology, hematology/oncology, and gastroenterology.

Testimony on House Bill No. 1548
Thursday, February 17, 2022; 11:00 a.m.
Page 2

This bill would provide the resources to develop the quality and stock of Hawaii's future healthcare workforce. Accordingly we commend this effort and wish to participate in any and all discussions concerning workforce development.

To demonstrate our commitment to this cause, I'm pleased to report the efforts made by one of our members toward expanding the residency opportunities of health care professionals in the State of Hawaii. (See, "Waianae Coast Comprehensive Health Center Receives HRSA Grant Funding to Establish a Family Medicine Residency in 2022", dated February 1, 2022, attached.)

The HPCA urges your favorable consideration of this measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.



**WAIANAЕ COAST
COMPREHENSIVE
HEALTH CENTER**
www.wcchc.com

FOR IMMEDIATE RELEASE
February 1, 2022

Contact: Joanne Keala Patterson
Director of Public Affairs
Cell: 808-295-3612/Office: 808-697-3457
Email: jpatterson@wcchc.com

Waianae Coast Comprehensive Health Center Receives HRSA Grant Funding to Establish a Family Medicine Residency in 2022

Wai‘anae, Hawaii — Since Waianae Coast Comprehensive Health Center’s (WCCHC) inception 50 years ago, the health center has aimed to service its community with compassionate, culturally competent, and comprehensive medical care. WCCHC ‘s commitment to providing care beyond just the physical body has led to the development of programs offering our patients access to primary, preventive, and enabling services. Another pillar of WCCHC is the health center’s commitment to education.

WCCHC has developed and currently offers community-based and health professional training experience through multiple ventures - our A.T. Still University School of Osteopathic Medicine physician training program, New York University Dental Residency Program, Na Lei Kukui nationally-certified Nurse Practitioner Integrated Residency Program, our American Psychological Association-accredited Psychology Internship Program and NIMAA, the nationally recognized Medical Assistant training program. These programs have led to increased healthcare access to primary care, pediatric dentistry, and mental health for the Waianae Coast community

To continue this commitment to service through education, WCCHC is proud to announce the formation of a **Community Health Center-based Family Medicine Residency program at WCCHC**, established through the “Teaching Health Center Planning and Development” grant sponsored by the Federal Health Resources and Services Administration. It is anticipated that by 2030, Hawaii will need an additional 318 primary care providers to service our state and more specifically, the communities serviced by community health centers. This shortage is largely due to the aging of the physician ranks, adverse economic factors to practicing in Hawaii and to the lack of continuing education that is provided in the areas that need those providers the most. With the present paradigm, we will never be able to rectify this dearth.

The Family Medicine Residency program is WCCHC’s response to help meeting that need and building a sustainable future for our healthcare community. This future does not start in medical school and is best characterized by WCCHC Chief Medical Officer, Dr. Stephen Bradley, “It is our duty to be intimately involved in fostering the continuum of education from secondary school all the way through medical residency so that the community can heal itself with its medical providers giving back to the community that raised them, and in a culturally appropriate manner.” Together with our state partnerships, WCCHC hopes that this residency program will allow our local medical students more opportunities to stay in Hawaii for their residency training and aid in the longevity of provider-patient relationships that shape communities for generations.

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86-260 Farrington Highway, Waianae, Hawaii 96792 - Telephone: (808) 697-3457 - Fax: (808) 697-3687
Visit our website at: www.wcchc.com

Thursday, February 17, 2022 at 11:00 AM
Via Video Conference

House Committee on Health, Human Services & Homelessness

To: Representative Ryan Yamane, Chair
Representative Adrian Tam, Vice Chair

House Committee on Higher Education & Technology

To: Representative Gregg Takayama, Chair
Representative Linda Clark, Vice Chair

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

**Re: HB 1548 – Testimony In Support
Relating to Graduate Medical Education**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawaii Pacific Health. Hawaii Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawaii.

I am writing in SUPPORT of HB 1548 which appropriates funds to support additional opportunities for medical residencies and training in partnership between the John A. Burns School of Medicine (JABSOM) and the Veterans Affairs.

Based on the most recent data from the Hawaii physician workforce assessment, the State has a shortage of almost 750 full-time physicians. Primary care, internal medicine, and some specialty physician shortages represent Hawaii's greatest area of need. Without these physicians, the people of Hawaii do not have access to the health care they need. JABSOM has shown that eighty per cent of graduates who complete their medical school and residency training, also known as their graduate medical education, in the State remain in Hawaii to practice.

There is strong collaboration between JABSOM and the Veterans Affairs. The Veterans Affairs health system currently invests in Hawaii-based residency positions using a separate federal pool of support. With additional faculty members, the capacity to train additional Hawaii-based residents through the Veterans Affairs program will enable

JABSOM to expand the number of residency rotations and create new training opportunities.

In Hawai'i, graduate medical education costs are largely borne by the University of Hawaii and its affiliated health systems. Although some federal dollars have been used by the health systems to cover a portion of the GME training costs, the state can invest and expand medical education training using newly available American Rescue Plan Act (ARPA) money. With the state's investment, JABSOM will be able to educate and train more physicians who will care for Hawai'i's residents.

Thank you for the opportunity to testify.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Ryan I. Yamane, Chair
The Honorable Adrian K. Tam, Vice Chair
Members, House Committee on Health, Human Services, & Homelessness

The Honorable Gregg Takayama, Chair
The Honorable Linda Clark, Vice Chair
Member, House Committee on Higher Education & Technology

From: Jace Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: February 17, 2022

Re: HB 1548: Relating to Graduate Medical Education

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 1,500 affiliated physicians and providers statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in strong support of HBs 1547 and 1548, which appropriate funds to create further medical residency and training opportunities through a partnership between the John A. Burns school of medicine (JABSOM), the Veterans Administration (VA), and the neighbor islands. Queen's wholeheartedly supports the intent of these measures to help fund additional medical training for health care professionals seeking to train in and serve our neighbor island and veteran communities.

We support efforts to further develop our healthcare workforce given the projected workforce shortage facing our state; the 2022 Hawai'i Physician Workforce Assessment estimated the current shortage for physicians to be over 700. Queen's supports our local medical students and graduates who would like to live and work in Hawai'i through internship and residency programs. In FY 2019 Queen's contributed approximately \$16.4 million in education and training to support current and future health care professionals in the community.

Thank you for allowing us to provide this testimony in support of HB 1547 and HB 1548.

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.

HB-1548

Submitted on: 2/11/2022 12:12:19 PM

Testimony for HHH on 2/17/2022 11:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Mary Jane P. Bennett	Individual	Support	No

Comments:

Aloha Kakou!

I am in Support of HB1548 from Maui.

Mahalo no kau koku!

Mary Jane P. Bennett