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

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. 1550

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

RELATING TO THE HAWAII MEDICAL EDUCATION SPECIAL FUND

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

House Bill (H.B.) No. 1550 reestablishes the Hawai'i Medical Education Special Fund to provide funding for medical education and training in Hawai'i, with an emphasis on supporting residency training on the neighbor islands and in medically underserved populations throughout the State.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding

H.B. No. 1550, it is difficult to determine whether the proposed special fund would be self-sustaining.

B&F defers to the University of Hawai'i regarding program implementation and funding.

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: 1:00 p.m., February 17, 2022

Re: HB 1550, RELATING TO THE HAWAII MEDICAL EDUCATION SPECIAL FUND

Position: **SUPPORT**

On behalf of the Hawaii Psychiatric Medical Association (HPMA) we are writing in support of HB 1550, Relating to the Hawaii Medical Education Special Fund. This bill establishes the Hawaii medical education special fund to be administered by the John A. Burns school of medicine for graduate medical education and training 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
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 1550 – RELATING TO THE HAWAII MEDICAL EDUCATION SPECIAL FUND

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 1550** which reestablishes the Hawai'i Medical Education special fund.

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. 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.

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 disciplines of greatest 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.

The Hawai'i Medical Education Council (HMEC) is tasked with monitoring the state's graduate medical education (GME) programs, physician residency and fellowship training, and their ability to meet the health care workforce requirements. According to

HMEC's 2022 report to the legislature¹, GME programs, especially those in primary care, geriatrics, psychiatry (adults and children) and addiction serve a high proportion of the state's most vulnerable populations. Yet, there has been a reduction in the overall civilian GME positions offered in Hawai'i from 241 in 2009 to 230 in 2021. Nationally, Hawai'i is in the bottom quintile of GME positions per population. Decreased federal and state funding has had a significant impact on the number of available training positions.

Ongoing funding of both undergraduate medical education (medical school) and GME is vital in addressing the physician shortage in Hawai'i. Reestablishing the Hawai'i Medical Education special fund will allow optimal use of state funding to support GME and assure close monitoring by the university and legislature of the specific application of state funds for GME programs, especially those focused on enhancing neighbor island workforce needs.

Thank you for this opportunity to testify.

¹ https://www.hawaii.edu/govrel/docs/reports/2022/hrs304a-1704_2022_hawaii-medical-education-council_annual-report_508.pdf

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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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 1550
Relating to Medical Education Special Fund**

The Hawaii State Rural Health Association (HSRHA) respectfully submits written testimony in strong support of HB 1550.

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 positions by re-establishing the special fund as a means of ongoing funding for graduate medical education and training programs and to support an expansion of key positions.

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.

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



**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. 1550, RELATING TO THE MEDICAL EDUCATION SPECIAL FUND.

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. 1550, RELATING TO THE MEDICAL EDUCATION SPECIAL FUND.

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 reestablish the Hawaii Medical Education Council (Council) Special Fund to enable the John A. Burns School of Medicine in consultation with the Council to provide funding for medical education and training in Hawaii with emphasis on supporting residency training on the neighbor islands and in medically underserved populations throughout the State.

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. 1550
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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Visit our website at: www.wcchc.com



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HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

Representative Ryan Yamane, Chair

Representative Adrian K. Tam, Vice Chair

HOUSE COMMITTEE ON HIGHER EDUCATION AND TECHNOLOGY

Representative Gregg Takayama, Chair

Representative Linda Clark, Vice Chair

Date: February 17, 2022

From: Hawaii Medical Association

Elizabeth Ann Ignacio MD, Chair, HMA Legislative Committee

**Re: HB 1550 Hawaii Medical Education Special Fund; John A. Burns School of Medicine; Graduate Medical Education and Training
Position: Support**

Currently Hawaii has 3,293 physicians providing care in our state, and there is a statewide shortage of 732 Full Time Equivalent (FTEs), as reported in the 2022 UH Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project. The physician shortages are most critical on the neighbor islands, reaching now 40% on Big Island and 40% on Maui.

Funding for graduate medical education is imperative for recruitment of physician providers to our state. HMA supports the reestablishment of the Hawaii medical education special fund to increase residencies and training opportunities. It remains an important priority for Hawaii physicians to sustain quality healthcare in Hawaii and maintain the delivery of vital services to our underserved areas, particularly on the neighbor islands. This measure will contribute to the expansion of our Hawaii physician workforce that remains critically low.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

CONTINUED

HMA OFFICERS

President – Angela Pratt, MD President-Elect – Elizabeth Ann Ignacio, MD
Immediate Past President – Michael Champion, MD Treasurer – Nadine Tenn Salle, MD
Secretary – Thomas Kosasa, MD Executive Director – Marc Alexander



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www.hawaiimedicalassociation.org

REFERENCES

Withy K et al. UH System Annual Report to the 2022 Legislature on Findings from the Hawai'i Physician Workforce Assessment Project.

Associated Press. Shortage of Hawaii Doctors Worsens During COVID-19 Pandemic.
<https://www.usnews.com/news/best-states/hawaii/articles/2021-01-06/shortage-of-hawaii-doctorsworsens-during-covid-19-pandemic>

Hiraishi K. "Hawai'i Doctor Shortage Worsens Under Pandemic." Hawaii Public Radio. Jan 5, 2021. <https://www.hawaiipublicradio.org/post/hawai-i-doctor-shortage-worsens-underpandemic>

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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 1550 – Testimony In Support
Relating to the Hawaii Medical Education Special Fund**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawaii'i Pacific Health. Hawaii'i 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.

I am writing in SUPPORT of HB 1550 which reestablishes the Hawaii Medical Education Special Fund.

The Hawaii Medical Education Council (HMEC) is tasked with overseeing the state's graduate medical education programs and the programs' ability to meet the health care workforce requirements. Additionally, HMEC must ensure adequate funding of health care training programs, in particular graduate medical education. According to HMEC's 2022 report to the legislature, graduate medical education programs, especially those in primary care, geriatrics, psychiatry (adults and children) and addiction serve a high proportion of the most vulnerable populations. Yet, there has been a reduction in the overall graduate medical education positions in Hawaii from 241 in 2009 to 230 in 2021. Nationally, Hawaii is in the bottom quintile of the graduate medical education positions per population. Decreased federal and state funding have had a significant impact on the number of available training positions.

Ongoing funding of medical education is vital in addressing the physician shortage in Hawaii. There are considerable public outcomes achieved by expanding capacity for training medical students especially on the neighbor island with the goal of having these students ultimately remain in Hawaii to practice. Reestablishing the Hawaii Medical Education special fund which may be utilized as a means of funding graduate medical education and training is a key component to supporting an expansion of graduate medical education positions and opportunities.

Thank you for the opportunity to testify.