



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony in SUPPORT of SB164
RELATING TO LOAN REPAYMENT FOR HEALTHCARE PROFESSIONALS.**

SEN. JOY SAN BUENAVENTURA, CHAIR
SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

Hearing Date: February 15, 2023

Room Number: 225

- 1 **Fiscal Implications:** \$1M general fund appropriation as required match for federal funds.
- 2 **Department Testimony:** The Department of Health (DOH) supports the State Loan Repayment
3 Program, which has demonstrated success at influencing a majority of participants – healthcare
4 providers of various specialties, not just physicians – to remain in Hawaii, practicing almost
5 exclusively in underserved areas.
- 6 The department is currently the fiscal intermediary for general funds, and encourages the
7 Legislature to ensure that 100% of appropriations reach this program. DOH looks forward to
8 continued partnership with the University of Hawaii John A. Burns School of Medicine across a
9 continuum of health care workforce initiatives.
- 10 **Offered Amendments:** N/A.

11

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

February 15, 2023

To: The Honorable Joy A. San Buenaventura, Chair
The Honorable Henry J.C, Aquino, Vice Chair and
Member of the Senate Committee on Health and Human Services

Date: Wednesday, February 15, 2023
Time: 1:00 p.m.
Place: Conference Room 225, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 164 RELATING TO LOAN REPAYMENT FOR HEALTH CARE
PROFESSIONALS**

I. OVERVIEW OF PROPOSED LEGISLATION

DLIR supports this measure provided it does not conflict with the priorities identified in the Governor's Executive Budget request. SB164 proposes to appropriate funds subject to a matching funds requirement for Health Care Provider Loan Repayment Program administered through the John A. Burns School of Medicine of the University of Hawaii at Manoa.

III. COMMENTS ON THE SENATE 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. Therefore, the Department supports this bill as an effective strategy to address shortages in the healthcare workforce in medically 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.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Health and Human Services
Wednesday, February 15, 2023 at 1:00 p.m.

By

Lee Buenconsejo-Lum, Acting Dean and
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,
Hawaii/Pacific Basin Area Health Education Center (AHEC) Director

John A. Burns School of Medicine

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

SB 164 – RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS

Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

Thank you for the opportunity to present testimony today. The John A. Burns school of medicine (JABSOM) **strongly supports SB 164** which seeks funding for the Hawai'i State Loan Repayment Program administered by JABSOM in the amount of \$1,000,000 for fiscal years 2023-2024 and 2024-2025. We request that the measure take effect on July 1, 2023.

Since September 2012, the Hawai'i State Loan Repayment program has been operating successfully, and has supported 76 recipients in exchange for work commitments in underserved geographic practice areas in Hawai'i. Of the loan repayment participants, 80% have remained in Hawai'i to practice, and more than half have remained at the site where they performed their service. As of this date, there are 23 active providers in the Hawai'i State Loan Repayment program with another 9 providers applying for JABSOM'S Innovative Loan Repayment Program, which is also administered by JABSOM and uses non-federal monies to match State funds to support other local healthcare providers who do not meet the federal guidelines but who still work in an area of need.

The Hawai'i State Loan Repayment program leverages public funds and private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps Branch of the United States Department of Health and Human Services. Currently, health care professionals who have benefited from the loan repayment program serve on all islands and in the communities of Waimea, Kihei, Wai'anae, Hilo, and Wailuku; at health clinics in Kalihi-Palama and Kokua Kalihi Valley; and in public institutional settings at the federal detention center in Honolulu, the Hālawā correctional facility and the Maui County correctional center.

Health care professionals who are eligible to participate in the program include physicians, nurse practitioners, psychologists, social workers, and many others.

Many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of primary and behavioral health care professionals in the State. These shortages not only threaten individual health, but also cumulatively affect the State's health care costs. Areas of Hawai'i that have been designated by the federal government as medically underserved have been most significantly affected by shortages of primary and behavioral health care professionals, such as physicians, nurse practitioners, physician assistants, and psychologists. Social workers, marriage and family therapists, and nurses are also urgently needed in these areas.

In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path designed to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized practice in urban areas rather than in general practice on the neighbor islands or in underserved areas of Oahu where the need is greatest. Furthermore, those states with robust primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to loan repayment programs to help develop a strong primary health care workforce for underserved areas.

An investment of State matching funds would enable JABSOM to draw as much federal money as possible and allow the program to provide loan repayment to more health care professionals in our ongoing efforts to alleviate the health care professional shortages in Hawai'i.

We request a minor, non-substantive amendment to page 2, line 12 by the insertion of the word "Branch" to reflect the correct name of the federal program that underwrites the Hawai'i State Loan Repayment Program:

"National Health Service Corps Branch State Loan Repayment Program of the United States Department of Health and Human Services".

Thank you for this opportunity to testify in support, provided that its passage does not replace or impact priorities as indicated in the University's Board of Regents Approved Executive Biennium Budget.



**Written Testimony Presented Before the Senate
Committee on Health and Human Services
Wednesday, February 15, 2023 at 1:00 P.M.
Conference Room 225 and via Videoconference
by
Laura Reichhardt, APRN, AGPCNP-BC
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

TESTIMONY IN SUPPORT on S.B. 164

Chair San Buenaventura, Vice Chair Aquino, and members of the Senate Committee on Health and Human Services, thank you for the opportunity to testify **in support of S.B. 164**, loan repayment for health care professionals.

In Hawai'i, health care professionals are in high demand yet in low supply, particularly on the neighbor islands and in rural and underserved areas of our state. This includes all of Hawai'i and Kaua'i Counties as well as most of Maui County. O'ahu, though population dense, has areas that are medically underserved.

The Hawai'i State Center for Nursing acknowledges that supporting healthcare professionals including nurses, by reducing their personal expenses through loan repayment, is one way to recruit and retain these valued professionals in and across our state. This program has proven success year after year in supporting healthcare professionals in starting and continuing service in rural areas and underserved areas in our state. The Hawai'i State Center for Nursing **provides testimony in support of this measure both for the intent of the measure and for full funding of this initiative.**

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.

Testimony of
Jonathan Ching
Government Relations Director

Before:
Senate Committee on Health and Human Services
The Honorable Joy A. San Buenaventura, Chair
The Honorable Henry J.C. Aquino, Vice Chair

February 15, 2022
1:00 p.m.
Conference Room 225 and Videoconference

Re: SB 164, Relating to Loan Repayment for Health Care Professionals

Chair San Buenaventura, Vice Chair Aquino, and committee members, thank you for this opportunity to provide testimony on SB 164, which appropriates funds for the Loan Repayment Program for Health Care Professionals, provided that the funds are matched on a dollar-for-dollar basis by funds from a private or another public source.

Kaiser Permanente Hawai'i SUPPORTS SB 164.

Kaiser Permanente Hawai'i is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 269,000 members in Hawai'i. In Hawai'i, more than 4,200 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai'i has more than 20+ medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the 1.4 million people living in the communities we serve.

Our rural areas continue to be the most underserved populations in Hawaii. Therefore, we **recommend inclusion of areas served by rural health clinics as part of underserved geographic areas.** Hawai'i has a shortage of about 776 doctors, and almost all other types of primary care and behavioral healthcare workers. In 2022, approximately 60 physicians were found to have retired, 212 decreased their work hours, and 84 physicians left the state, further contributing to the physician shortage. Without these doctors and other 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 underserved areas served by rural health centers. The funding from this loan repayment program, will create opportunities directly in the state to recruit and retain our healthcare workforce.

We ask the committee to PASS SB 164. Mahalo for the opportunity to testify on this important measure.

Written Testimony Presented Before the
Senate Committee on Health & Human Services
HEARING: Wednesday, February 15, 2023, 1:00 P.M.
PLACE: Room 225 and via videoconference

By Hawai‘i – American Nurses Association (Hawai‘i-ANA)



**SB164 – RELATED TO LOAN REPAYMENT FOR HEALTH CARE
PROFESSIONALS**

Chair San Buenaventura, Vice Chair Aquino, and members of the Senate Committee on Health and Human Services, thank you for the opportunity to testify **in strong support of SB164**, loan repayment for health care professionals, including nurses.

We are the Hawai‘i- American Nurses Association (Hawai‘i-ANA), speaking for over 17,000 Registered Nurses in Hawai‘i who care for patients every day in our state. The American Nurses Association (ANA) mission is to “Lead the profession to shape the future of nursing and health care”. ANA supports the nursing profession across the nation in standards of practice including the Code of Ethics, advocacy, certification, accreditation, advanced practice, and education, to evolve the practice of nursing and transform health and health care. Hawai‘i-ANA “Empowers nurses to advocate for the improvement of the healthcare system in the communities where we live and work”.

Hawai‘i-ANA acknowledges that reducing nurses personal expenses through loan repayment, is one way to recruit and retain these valued professionals in and across our state. This program has proven success year after year in supporting retention and recruitment of nurses across our state. Hawai‘i-ANA provides testimony in strong support of this measure both for the intent of the measure and for full funding of this initiative.

Hawai‘i-ANA respectfully asks the Committee to pass SB164 through your committee. We thank your committee for its commitment to the people of Hawai‘i, in ensuring access to high-quality nursing care across our state by supporting recruitment and retention of nurses across our state.

Contact information for Hawai‘i – American Nurses Association:

President: Dr. Nancy Atmospera-Walch, DNP, CCHN, FAAN, president@hawaii-ana.org

Executive Director: Dr. Linda Beechinor, APRN, FNP-BC executivedirector@hawaii-ana.org

phone (808) 779-3001 500 Lunalilo Home Road, #27-E, Honolulu HI 96825



SB164 Loan for Behavioral Health Workers

COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

Wednesday, Feb. 15, 2023: 1:00 : Room 225 Videoconference

Hawaii Substance Abuse Coalition supports SB164

ALOHA CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment and prevention agencies and recovery services.

There is a huge shortage of behavioral health workers, including psychiatrist, psychologists, nurses, and social workers. So much news about it, we hardly need to justify it. However, here is a report from HRSA:

By 2030, we project these changes in demand for behavioral health workers:¹

- 3% increase in demand for adult psychiatrists (to 39,550)
- 1% decrease in demand for child & adolescent psychiatrists (to 9,190)
- 15% increase in demand for nurse practitioners (to 12,050)
- 8% increase in demand for physician assistants (to 1,670)
- 5% increase in demand for psychologists (to 95,600)
- 12% increase in demand for social workers (to 268,750)
- 9% increase in demand for marriage & family therapists (to 57,970)
- 15% increase in demand for addiction counselors (to 105,410)
- 13% increase in demand for mental health counselors (to 158,850)
- 3% increase in demand for school counselors (to 119,140)

This loan matching program would certainly help.

We appreciate the opportunity to provide testimony and are available for questions.

¹ Health Resources and Services Administration (HRSA) Behavioral Health Projections: August 2022
<https://bhw.hrsa.gov/data-research/projecting-health-workforce-supply-demand/behavioral-health>



**Testimony to the Senate Committee on Health and Human Services
Wednesday, February 15, 2023; 1:00 p.m.
State Capitol, Conference Room 225
Via Videoconference**

RE: SENATE BILL NO. 0164, RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

Chair San Buenaventura, Vice Chair Aquino, and Members of the 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** Senate Bill No. 0164, RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

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 \$1,000,000 in general funds for fiscal year 2023-2024, and \$1,000,000 for fiscal year 2024-2025, for the Hawaii State Loan Repayment Program so long as these funds are matched on a dollar-for-dollar basis by funds from a private or another public source. The funds would be expended by the John A. Burns School Medicine of the University of Hawaii at Manoa, and would take effect on July 1, 2023.

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 Senate Bill No. 0164
Wednesday, February 15, 2023; 1:00 p.m.
Page 2

This bill would provide the resources to continue a financial incentive that enhances 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.

For this reason, the HPCA supports this bill.

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@hawaiiipca.net.



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

Date: February 15, 2023

From: Hawaii Medical Association

Beth England MD, Co-Chair, HMA Public Policy Committee

Re: SB164; RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

Position: Support

Currently, Hawaii has a statewide physician shortage of 776 Full Time Equivalents (FTEs), as reported in the UH System Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project. This deficit is 44 FTEs larger than one year ago. Since 2012, support from the Hawaii State Legislature in partnership with JABSOM, HMSA and Queens Medical Center through the State Loan Repayment Program has helped to recruit physicians to practice in Hawaii. HMA is grateful for the continued support of this financial assistance program, particularly for needed recruitment to counties like Hawaii and Maui, where provider shortages are as high as 40%. HMA also supports the expansion of this program to include incentives for psychologists and social workers.

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. The Loan Repayment Program must be sustained to support young physician trainees and improve our Hawaii physician workforce that remains critically low.

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

REFERENCES

Withy K et al . UH System Annual Report to the 2023 Legislature on Findings from the Hawai'i Physician Workforce Assessment Project. https://www.hawaii.edu/govrel/docs/reports/2023/act18-sslh2009_2023_physician-workforce_annual-report_508.pdf

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>

2023 Hawaii Medical Association Officers

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

2023 Hawaii Medical Association Public Policy Coordination Team

Elizabeth Ann Ignacio, MD, Chair • Beth England, MD, Co-Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

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Wednesday, February 15, 2023 at 1:00 PM
Via Video Conference; Conference Room 225

Senate Committee on Health and Human Services

To: Senator Joy San Buenaventura, Chair
Senator Henry Aquino, Vice Chair

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

Re: **Testimony in Support of SB 164
Relating to Loan Repayment For Health Care Professionals**

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

HPH writes in SUPPORT of SB 164 which appropriates funds for the Hawaii State Loan Repayment program administered by 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 almost 800 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 the neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is through loan repayment.

JABSOM has successfully administered the program which has supported 76 healthcare providers since the program began in 2012. To date, nearly 2/3 of those providers continue to work in medically underserved communities.

Thank you for the opportunity to testify.



February 15, 2023 at 1:00 pm
Conference Room 225

Senate Committee on Health and Human Services

To: Chair Joy A. San Buenaventura
Vice Chair Henry J.C. Aquino

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

Re: **Support**
SB 164, 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 170 member organizations who represent almost every aspect of the healthcare 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 more than 30,000 people statewide.

We would like to thank the committee for the opportunity to **support** this measure, which would provide funding for loan repayment at the John A. Burns School of Medicine (JABSOM) to support various healthcare professionals who practice in underserved areas. Investing in our healthcare workforce is critical because of the shortage of professionals in several categories in Hawaii, including physicians and other critical allied professionals. This funding will help to alleviate that shortage by creating opportunities directly in the state to train our healthcare workforce. By training professionals in-state, we are more likely to keep them and their skills here, serving patients in Hawaii.

We are supportive of the legislature's efforts to direct funding towards effective and important programs that will help to ensure that residents have access to needed care.

Thank you for your time and consideration of our testimony in support of this measure and funding.

SB-164

Submitted on: 2/14/2023 9:40:49 AM

Testimony for HHS on 2/15/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
stephanie marshall	Individual	Support	Written Testimony Only

Comments:

As a registered nurse for over 45 years, I strongly support loan repayment for our healthcare professionals. We are in the midst of an acute workforce shortage in healthcare and this is a critical component to recruit and retain our workforce in Hawaii. Please support

Thank you, Stephanie Marshall, RN,MS, FAAN