

MAR 14 2007

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## SENATE RESOLUTION

ENCOURAGING THE COUNTIES TO FORM PARTNERSHIPS WITH THE STATE AND PRIVATE SECTOR TO COVER HEALTHCARE INFRASTRUCTURE AND OVERHEAD COSTS FOR PRIMARY CARE AND SPECIALTY PHYSICIANS PRACTICING MEDICINE IN HAWAII'S RURAL AREAS.

1           WHEREAS, many rural areas of our state especially on our  
2 Neighbor Islands have been designated as health professional  
3 shortage areas by the federal government; and  
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5           WHEREAS, a designation as a health professional shortage  
6 area may include places with large groups of people who face  
7 economic, cultural or linguistic barriers to healthcare or where  
8 there are too many people in that geographic area to be served  
9 by the limited number of health professionals; and  
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11           WHEREAS, there is a critical shortage of all healthcare  
12 providers on our Neighbor Islands as Hawaii rapidly loses  
13 physicians who leave to practice on the mainland for more money,  
14 and many who continue to practice in this state are aging and  
15 close to retirement; and  
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17           WHEREAS, Hawaii physicians are overly burdened by medical  
18 malpractice premiums that continue to rise sharply especially  
19 for orthopedists, general surgeons, and  
20 obstetrician/gynecologists; and  
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22           WHEREAS, other states offer physicians better  
23 reimbursements that are adequate to sustain their practices; and  
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25           WHEREAS, local healthcare facilities are straining to  
26 provide their physicians with fair and adequate wages in their  
27 attempts to maintain services and retain necessary staff; and



1 WHEREAS, according to a study prepared by the accounting  
2 firm Ernst & Young LLP, Hawaii hospitals spent \$228 million in  
3 unreimbursed funds to care for Medicare, Medicaid, and QUEST  
4 patients in 2006; and

5  
6 WHEREAS, some relief must be provided somewhere for  
7 healthcare professionals to keep them practicing in Hawaii and  
8 to encourage them to practice in the areas of the state where  
9 they are most desperately needed; and

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11 WHEREAS, our community health centers provide some relief  
12 for rural areas but a more comprehensive approach needs to be  
13 established to provide primary healthcare services; and

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15 WHEREAS, the State, counties, and private organizations  
16 have the means to support medical operations in rural areas; and

17  
18 WHEREAS, providing the necessary healthcare infrastructure  
19 and overhead costs for primary care and specialty physicians is  
20 a viable means for reducing costs associated with practicing  
21 medicine; and

22  
23 WHEREAS, state, county, and private partnerships formed to  
24 provide these infrastructure and overhead costs in rural areas  
25 would help to overcome geographic and economic barriers which  
26 plague the Neighbor Islands and ease the critical healthcare  
27 shortages they face; and

28  
29 WHEREAS, only through such a healthcare cooperative venture  
30 between the State, counties, and private entities will  
31 independent healthcare providers be able to practice medicine in  
32 rural areas of the state; now, therefore,

33  
34 BE IT RESOLVED by the Senate of the Twenty-fourth  
35 Legislature of the State of Hawaii, Regular Session of 2007,  
36 that the counties of Hawaii are encouraged to form partnerships  
37 with the State and private sector to cover healthcare  
38 infrastructure and overhead costs for primary care and specialty  
39 physicians in Hawaii's rural, underserved areas; and



1 BE IT FURTHER RESOLVED that certified copies of this  
 2 Resolution be transmitted to the Mayor of the County of Hawaii,  
 3 Mayor of the County of Maui, Mayor of the County Kauai, Mayor of  
 4 the City and County of Honolulu, Governor, Director of Health,  
 5 and Executive Director of the Healthcare Association of Hawaii.  
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