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TESTIMONY BY GEORGINA K. KAWAMURA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE HOUSE COMMITTEE ON HEALTH ON SENATE BILL NO. 43, S.D. 2

March 17, 2009

RELATING TO PHYSICIAN WORKFORCE ASSESSMENT

Senate Bill No. 43, S.D. 2, implements measures for a statewide physician workforce assessment and planning to help prevent physician shortages in Hawaii. The bill creates the John A. Burns School of Medicine special fund to finance physician assessment and planning efforts. The fund would generate revenues through legislative appropriations, a \$60 fee assessed when a physician license is renewed, grants, gifts, donations, and interest earned. Senate Bill No. 43, S.D. 2, appropriates an unspecified sum from the general fund each year of the biennium to implement statewide physician workforce assessment and planning. In addition, the bill appropriates an unspecified sum from the compliance resolution fund each year for deposit into the John A. Burns School of Medicine special fund.

We are opposed to this bill. The Department of Budget and Finance cannot support the use of general funds for new programs due to the State's current fiscal situation. Additionally, as a matter of general policy, this department does not support the creation of any special or revolving fund which does not meet the requirements of Sections 37-52.3 and 37-53.4 of the Hawaii Revised Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. It is difficult to determine whether the fund will be self-sustaining.





An Independent Licensee of the Bits Cross and Blue Shield Association

March 17, 2009

The Honorable Ryan Yamane, Chair The Honorable Scott Nishimoto, Vice Chair

House Committee on Health

Re: SB 43 SD2 – Relating to Physician Workforce Assessment

Dear Chair Yamane, Vice Chair Nishimoto and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 43 SD2.

This measure would provide funding to the University of Hawaii's John A. Burns School of Medicine (JABSOM) to perform an assessment of the physician workforce in Hawaii. Information of this type will be useful to determine the best policies and proposals to ensure that all of Hawaii's people are able to access the appropriate care they need when they need it. It may also be prudent for any assessment to include Hawaii's physician's willingness and ability to incorporate new and expanding technologies which could assist in the provision of care to the more rural areas of the state.

Thank you for the opportunity to testify today. We would respectively urge the Committee's support of this measure.

Sincerely.

Jennifer Diesman Assistant Vice President Government Relations





To: House Committee on Health

Rep. Ryan I. Yamane, Chair

Rep. Scott Y. Nishimoto, Vice-Chair

Date: March 17, 2009 - Conference Room 329 - 8:30 am

Re: SB 43, SD2: RELATING TO PHYSICIAN WORKFORCE ASSESSMENT

Chair Yamane and Committee Members:

My name is Barbara Kim Stanton, State Director of AARP Hawaii. AARP is a membership organization of people 50 and older with nearly 160,000 members in Hawaii. We are committed to championing access to affordable, quality health care for all generations, providing the tools needed to save for retirement, and serving as a reliable information source on issues critical to Americans age 50+.

AARP supports the intent of SB43, SD2. Its purpose is to create a John A. Burns School of Medicine special fund that would support an ongoing assessment and planning for the physician workforce in Hawaii.

This is a measure that would help to address the growing problem of physician shortages in the state, especially in rural areas and on the neighbor islands. While many areas are already experiencing shortages, we believe it will only worsen with the health care needs of Hawaii's aging wpopulation. AARP notes that the number of people age 65 and older in the state is projected to gro by about 86% in the next two decades.

SB43, SD2 would enable JABSOM to implement a system for better problem identification on the nature and extent of physician and physician specialty shortages within underserved communities throughout the state. The continually updated information will help the medical school in its planning, recruitment and training of new doctors.

Thank you for the opportunity to testify.