



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Every Day"

Testimony in Support of HB2801 HD1

**House Committee on Finance
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair**

**Monday, February 22, 2010
4:00 P.M.
Conference Room #308**

**HB2801 HD1 – MAKING AN EMERGENCY APPROPRIATION FOR HAWAII
HEALTH SYSTEMS CORPORATION FOR OPERATIONAL COSTS.**

Appropriates emergency funding to the Hawaii Health Systems Corporation to ensure the continuous delivery of critical health care services and for the payment of HHSC's operational costs, and establish the Big Island Rural Interdisciplinary Program in the East Hawaii region. (HD2801 HD1)

**Testimony of Alice M. Hall, Interim President and Chief Executive Officer
Edward N. Chu, Interim Chief Financial Officer**

Thank you for the opportunity to provide testimony in support of HB2801 HD1 to provide the Hawaii health systems corporation with emergency funding to ensure continuous delivery of critical health care services, for payment of operational costs, and to fund the Big Island Rural Interdisciplinary Program.

PART I The current economic situation has put a significant strain on every state agency. For the state Department of Human Services, the financial impact has been significant to its providers who participate in QUEST and QUEST Expanded Access, and Medicaid programs.

For the Hawaii Health Systems Corporation, despite all of its challenges, our hospitals have an obligation and commitment to put the patient first, regardless of ability to pay. As a result, HHSC treats a very high percentage of patients that are enrolled in the QUEST, and QUEST Expanded Access plans. For the year-to-date January 31, 2010, the percentage of cash collections for HHSC's long-term care and critical access hospitals that come from the QUEST and QUEST Expanded Access plans ranged between 56% to 78%. Unfortunately, the frequency of delinquent payments from the QUEST programs, particularly the QUEST Expanded Access plans, has worsened. These payment delays continue to put hardship on our facilities to manage their cash flow, and the result would most likely be a further delay in making payments to

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vendors. And should this situation worsen, it could potentially lead to an interruption of needed goods and services for our hospitals. HHSC is particularly concerned that the combination of the recent downturn in the economy, which is causing more people to enroll in the QUEST and QUEST Expanded Access plans, and the budget cuts that were imposed on the Department of Human Services will put such a strain on the financial resources of the agency that payments to the QUEST and QUEST Expanded Access plans may cease, which in turn puts the plans in a position where they will not be able to make the required payments to HHSC's facilities for the services those facilities provide to QUEST and QUEST Expanded Access payments.

We understand that DHS expects to run out of money in the near future and before the end of the fiscal year. HB2801, HD1 would provide relief to HHSC in the event that DHS stops or further delays making QUEST payments to providers. We believe that this measure can provide greater stability for all HHSC facilities. HHSC encourages this Committee to implement funding relief.

With respect to Part I, Section 3, we offer clarification and a technical correction regarding the funds that are to be expended by all the HHSC regions including East Hawaii, West Hawaii, Kauai, Maui and Oahu; and not solely for the East Hawaii region. As such, a technical amendment is offered in Part I, Section 3, paragraph 2, to read:

The sum appropriated shall be expended by the Hawaii health systems corporation regions [~~East Hawaii regional health care system~~] (HTH 212) for the purposes of this part.

PART II HHSC also asks that this Committee consider emergency funding for the Big Island Rural Interdisciplinary Program – a collaborative effort of HHSC East Hawaii Regional Health System, the University of Hawaii John A. Burns School of Medicine, School of Nursing and Dental Hygiene, University of Hawaii School of Pharmacy at Hilo and the University of Hawaii-Hilo Nursing Department. This comprehensive program is in direct response to the major health care need of the Big Island communities: to address the caregiver shortage by recruiting and retaining physicians, advance practice registered nurses (nurse practitioners), pharmacists, and nurses. The physician shortage projection for Family Practice Physicians over the next two years on the Big Island is estimated at 40 providers due to our aging medical staff of 65 years or older. As you are aware, the program provides an opportunity for students and residents to learn about healthcare within an inter-disciplinary setting, in addition to familiarizing participants with providing health care in a rural island community setting.

We recognize that state resources are extremely limited, but urge you to also recognize the benefits of the aforementioned requests within this measure. We appreciate the opportunity to share our concerns with you and look forward to further discussion on this issue.

February 21, 2010

To: Committee on Finance – Rep. Marcus R. Oshiro, Chair and Rep. Marilyn B. Lee, Vice Chair

RE: Testimony in SUPPORT of HB 2801 with AMENDMENT:

**MAKING AN EMERGENCY APPROPRIATION FOR
HAWAII HEALTH SYSTEMS CORPORATION FOR OPERATIONAL COSTS**

Aloha,

There is a physician shortage in Hawaii and it will only get worse. This shortage will impact healthcare for the poor and underserved the most. In many ways the impact is being felt with the lack of specialists and primary care doctors on the neighbor islands and the difficulty recruiting staff at the Community Health Centers and HHSC Hospitals.

We need to start training doctors that will stay in Hawaii and take care of our own local people. With two accredited Medical Schools in Hawaii, one obvious long term solution is to **“Grow Our Own.”** Unfortunately, except for Kona Community Hospital, no other HHSC hospital has accepted medical students.

“The ability to bring new caregivers to practice in the community health center ensures that our hospitals will be able to provide necessary health care services to residents and visitors in this health professional shortage area.” HB2801

As a requirement of receiving the emergency appropriations, please consider amending HB2801 to include accepting Hawaii-based medical students for clinical rotations at Hawaii Health Systems Hospitals.

Mahalo,



Christina K. Lee, MD
Medical Director
Waimanalo Health Center

February 22, 2010

To: Committee on Finance – Rep. Marcus R. Oshiro, Chair and Rep. Marilyn B. Lee, Vice Chair

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As a requirement of receiving the emergency appropriations, please consider amending HB2801 to include accepting Hawaii-based medical students for clinical rotations at Hawaii Health Systems Hospitals.

*“I swear to fulfill, to the best of my ability and judgment, this covenant:
I will respect the hard-won scientific gains of those physicians in whose steps I walk, and gladly share such knowledge as is mine with those who are to follow”.* Hippocratic Oath

“The ability to bring new caregivers to practice in the community health center ensures that our hospitals will be able to provide necessary health care services to residents and visitors in this health professional shortage area.” HB2801

Out of the two medical students we have sent to Kona, one already wants to become a pediatrician and she is already talking about practicing in Kona. That is the strength and effect of training medical students on the Neighbor Islands.

Mahalo,

Ricardo C. Custodio, M.D., M.P.H.
Associate Professor, ATSU Hawaii Campus
Medical and Training Director, WCCHC

February 22, 2010

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“The ability to bring new caregivers to practice in the community health center ensures that our hospitals will be able to provide necessary health care services to residents and visitors in this health professional shortage area.” HB2801

Our university provides the unique opportunity to get early clinical experience at 11 community based centers across the country from New York to Hawaii. Personally, I specifically petitioned to come to Hawaii because I felt a connection and a need to help the Hawaiian people. My mother lived here in Hawaii for many years, and I wanted the opportunity to give back to the Hawaiian people, but the lack of medical student rotations for our program inhibits my abilities to do so. It is very important that we open up opportunities for future physicians because of definite shortage we will have in the future. Having to set up rotations elsewhere would make it very difficult and expensive and would make it hard to eventually stay in Hawaii and practice medicine.

With a generation of physicians, primary care and specialty, ready to retire, it is important that we act now in securing a physician supply in Hawaii. Opening up opportunities to train here allows medical students the abilities to make ties and plant roots within a community and really feel like they belong here, therefore increasing the chances they will stay and serve the same community.

As a requirement of receiving the emergency appropriations, please consider amending HB2801 to include accepting Hawaii-based medical students for clinical rotations at Hawaii Health Systems Hospitals.

Mahalo,

Christopher Chin
OMS-II
ATSU-SOMA 2012

February 22, 2010

To: Committee on Finance – Rep. Marcus R. Oshiro, Chair and Rep. Marilyn B. Lee, Vice Chair

RE: Testimony in SUPPORT of HB 2801 with AMENDMENT:

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Good afternoon,

As a second year medical student at ATSU Waianae, I am writing to encourage you to **consider amending HB2801 to include accepting ALL Hawaii-based medical students for clinical rotations at Hawaii Health Systems Hospitals.**

You may or may not be aware of our medical school's mission to select and train students who are most likely to practice medicine in medically underserved communities. Our school goes even beyond that, and matches medical students to one of eleven sites across the country that they are most likely to serve in as doctors. **What this means is that the 7-10 new ATSU students who arrive in Hawaii every year to study and train have demonstrated a vested interest in serving in Hawaii's medically-underserved communities.**

As one of these students, I have kept abreast of the situation that has developed with HSHS. I would like to voice my concern with their attempts to exclude us from the major hospitals in this state. My interest in remaining here to serve after I fulfill my Air Force commitment is high, but depends in a large way on how the next year works out in regards to entrance into the state's hospitals. If I do not perceive that this state is supporting our presence here by allowing us rotations in the major hospitals, I would be very hesitant to come back here to serve as a doctor. I find this situation regrettable and hope you will consider your influential role in providing future physicians to serve in your underserved communities.

"The ability to bring new caregivers to practice in the community health center ensures that our hospitals will be able to provide necessary health care services to residents and visitors in this health professional shortage area." HB2801

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Thanks so much,

Alister Mix
OMS-II
ATSU- Waianae 2012

February 22, 2010

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With a generation of physicians, primary care and specialty, ready to retire, it is important that we act now in securing a physician supply in Hawaii. Opening up opportunities to train here allows medical students the abilities to make ties and plant roots within a community and really feel like they belong here, therefore increasing the chances they will stay and serve the same community.

As a requirement of receiving the emergency appropriations, please consider amending HB2801 to include accepting Hawaii-based medical students for clinical rotations at Hawaii Health Systems Hospitals.

Mahalo,
Kendon Carrera
OMS-II
ATSU-SOMA 2012

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Aloha,

I'm a medical student from Hilo who would like to stay in Hawaii and eventually practice in Hawaii. For me and other Hawaii based medical students being able to continue our medical education within the state is a tremendous factor playing into where we will eventually practice.

We need to start training doctors that will stay in Hawaii and take care of our own local people. With two accredited Medical Schools in Hawaii, one obvious long term solution is to **“Grow Our Own.”** Unfortunately, except for Kona Community Hospital, no other HHSC hospital has accepted medical students.

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Mahalo,
Rio Cole
2nd Year Medical Student