Wendy F. Hensel
President

UNIVERSITY of HAWAI'I®
Ke Kulanui o Hawai'i

DEPT. COMM. NO. 78

December 9, 2025

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Third State Legislature
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of Representatives
Thirty-Third State Legislature
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, the University of Hawai'i is transmitting one copy of the Annual Report on the Hawai'i Medical Education Council (Section 304A-1704, Hawai'i Revised Statutes) as requested by the Legislature.

In accordance with Section 93-16, Hawai'i Revised Statutes, this report may be viewed electronically at: https://www.hawaii.edu/govrel/docs/reports/2026/hrs304a-1704_2026_hawaii-medical-education-council_annual-report_508.pdf.

Should you have any questions about this report, please do not hesitate to contact Stephanie Kim at (808) 956-4250, or via e-mail at scskim@hawaii.edu.

Sincerely,

Wendy F. Hensel
President

Enclosure

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UNIVERSITY OF HAWAIʻI SYSTEM ANNUAL REPORT

REPORT TO THE 2026 LEGISLATURE

Annual Report on the
Hawaiʻi Medical Education Council

HRS 304A-1704

December 2025

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INTRODUCTION

Executive Summary

Physician workforce shortages persist

Significant physician shortages persist in Hawai‘i. With an aging provider workforce, Hawai‘i falls short by 833 (an increase from 768 last year) full-time equivalents of physicians when accounting for the neighbor island and specialty demands. This shortage remains more pronounced in all areas of the state outside of urban Honolulu. It is projected to worsen as demands for medical care increase, with an aging population burdened by increasing chronic illness, including diabetes, cardiovascular disease, strokes, and cancer, and aging providers retiring or moving out of state. The most significant shortages statewide, on all islands, are in primary care (family medicine, internal medicine, pediatrics, and geriatrics). Insufficient access to primary care frequently delays care and causes more costly care in emergency departments or hospitals. Other specialties have critical shortages, including pediatric gastroenterology, pediatric and adult endocrinology, pediatric and adult pulmonology, cardiothoracic and colorectal surgery and pediatric critical care, according to the 2025 Hawai‘i Physician Workforce report, reflecting the increasing chronic disease burden across the lifespan. The economic challenges of practicing in a state with the highest cost of living, high cost of private practice, and low reimbursement rates continue to hasten physician retirements and worsen the primary care and physician shortage crisis, especially on the neighbor islands. The lack of affordable housing options and insufficient practice support, worse for independent and neighbor island providers, contribute to the challenge of recruiting and retaining physicians. The excess cost associated with avoidable emergency care due to insufficient primary care providers is borne by the State and Hawai‘i hospitals.

Why GME Matters

Physicians who train in Hawai‘i are far more likely to practice in Hawai‘i. Studies of the physician population in Hawai‘i consistently show that most physicians have robust and long-standing family ties to our state. The University of Hawai‘i John A. Burns School of Medicine (UH JABSOM) is the medical school source and/or residency program source for more than half of the physicians in Hawai‘i (See Appendix C for locations). Physicians who train in Hawai‘i-based residency programs (also known as Graduate Medical Education or GME programs) are more likely to practice and remain in Hawai‘i. The retention rate (i.e., practicing in Hawai‘i) for physicians who do medical school education and full GME training in Hawai‘i is, on average, 80%.

Despite extreme physician shortages and the expansion of the JABSOM medical student class size from 62 (2009) to 77 (since 2019) matriculants per year, there has been limited growth in GME position to meet the growing needs. In 2009, there were 227 actual GME filled positions, which remained largely unchanged through 2023. However, through a combination of new federal funding opportunities and health system support over the past few years, the number of residents and fellows has increased to 250 in 2024, and is anticipated to increase to 255 in 2026, including the inaugural cohort for the Kaua’i Family Medicine Residency Program and the recent addition of the Primary Care Internal Medicine Residency Program. While the increases are laudable, especially in the face of continued fiscal challenges, there is still a critical need of certain subspecialties and need to increase training opportunities on the neighbor islands of Hawai‘i.

Our GME programs, especially those in primary care, geriatrics, psychiatry (adults and children), and addiction medicine, serve a high proportion of O‘ahu's most vulnerable populations – in outpatient and inpatient settings. The economic realities continue to worsen existing health inequities, with one-third of the State’s population now receiving MedQUEST benefits. Our GME learners and faculty members continue working with health system leaders to ensure that

members of our diverse populations suffering disproportionately receive the highest quality of care.

The challenges to growing new GME training positions based in Hawai'i during critical physician shortages is of grave concern to this Council.

Federal and local GME funding are inadequate to support actual training costs in Hawai'i

Funding, including for new fellows and faculty academic time, is the most significant barrier to expanding GME in Hawai'i. The federal GME reimbursement from the Centers for Medicare & Medicaid Services (CMS) to teaching hospitals is already lower than in most other states and does not account for the increased costs of education and training. The major community teaching hospitals in Hawai'i (The Queen's Health Systems hospitals, Hawai'i Pacific Health hospitals, and Kuakini Medical Center) have historically funded the gap between the actual cost of training and federal GME support. All hospitals face challenges due to declining reimbursement for medical care, steeply rising hospital costs, and increasing amounts of under-compensated care for specific high-risk populations, all of which are expected to worsen in the current context of overall CMS funding and regulations. However, because many of our O'ahu hospitals have a CMS rural classification, in the past few years, we have seen small increases in primary care and in a few subspecialty GME programs. More detail is discussed in Table 4 and pages 7-9. The University of Hawai'i Rural Health Research and Policy Center continues to work with Hawai'i's congressional delegation to increase the Medicare Geographic Practice Cost Index (GPCI) to be comparable to Alaska, which will increase physician reimbursement. The Association of American Medical Colleges (AAMC) and UH continue to advocate for establishing more GME training slots, but other Congressional proposals impacting CMS dollars, rural reclassification, and/or GME-related formulas would significantly jeopardize our local health systems' capacity for future GME expansion, if any of those proposals were enacted.

We are grateful to the legislature who, in past years, approved positions and funding for part-time faculty who will work to expand medical education training sites on the neighbor islands. The state positions (whether G-funded or tuition funded) or philanthropic sources are critical to buy out non-clinical time to develop and run high quality GME and medical student education programs. Nevertheless, we continue to have insufficient state funding for the required critical mass of clinician educators needed to significantly expand or create new, larger GME programs. Thus, sustainably financing GME to address future provider training costs remains a critical challenge for JABSOM, teaching hospitals, and the state legislature. Part of the long-term solution to increase primary care capacity and allow for protected non-clinical time for medical student and resident education is to transform the healthcare delivery and financing systems to achieve the goals of both Hawaii's AHEAD model, funded by the CMS "Advancing All-Payer Health Equity Approaches and Development" program and sustaining the initiatives proposed in Hawaii's Rural Health Transformation Program application. Both require increased care coordination across the state, increased resources to address social drivers of health such as food insecurity, transportation, inadequate nutrition support, system changes that achieve improved population health metrics, and efforts to prevent unnecessary emergency department and hospitalizations. Fundamental to that shift is to work toward improving the spending on primary care services and embracing team-based care and telehealth when appropriate. The work to reduce the Total Cost of Care is difficult and will require changes in health policy and health care financing structures. However, some of the policies and structural support should also help retain physicians and other healthcare providers from prematurely retiring or relocating to areas with lower costs of living and practice.

Many other factors negatively impact our ability to retain our GME trainees in Hawai‘i or attract and retain them to practice on neighbor islands or more rural community settings. This report documents strategies to understand the challenges surrounding the growth of GME training opportunities. Expanding GME to meet the needs of the state’s population will require close collaboration and synergistic efforts with the state, teaching hospitals, private practicing physicians, businesses, private foundations, and federal government agencies, including the United States Department of Defense, United States Department of Veterans Affairs, and the United States Health and Human Services Departments.

The Hawai‘i Medical Education Council (HMEC) discussed these findings and recommendations, considering the current economy, reductions in CMS funding, healthcare financing, and the overall health system capacity. Numerous studies have demonstrated a strong correlation between a healthy economy and the health and education conditions of the population. A vibrant medical school that addresses the underlying contributors to health disparities and brings federal dollars to Hawai‘i to address those mechanisms is critical to improving Hawai‘i's overall health. As the state wrestles with the long-term consequences of the COVID-19 pandemic, the impacts of climate change (wildfires, food and water supplies),and worsening health disparities in many populations, a key economic growth area is in the health sciences through service delivery and federally-supported innovation and discovery through research. Having sufficient numbers of JABSOM faculty members who contribute to instruction and innovation/discovery will be essential to ramp up the health science sector and mobilize effective partnerships to assist economic recovery. Additionally, stronger connectivity and coordination are needed to help high school students from rural and underserved areas pursue health care, science, or medicine careers. This will also require additional faculty and staff to support the mentoring required. As mentioned above, major transformation of Hawaii's healthcare system, including policies that build and provide robust primary care, with behavioral health integrated into primary care practices and networks, is critical to addressing worsening health disparities in face of continued shortages of physicians.

RECOMMENDATION #1

In an ongoing effort to encourage educational rotations and future careers in healthcare on the less populated and/or rural island communities throughout the state of Hawai‘i, the UH/HMEC recommends that the State Legislature develop a long-term plan to address the lack of affordable housing on the neighbor islands, including health workforce housing in closer proximity to health care facilities. The legislature should continue supporting JABSOM and specific county efforts to pursue affordable housing options for health professional learners (i.e., students, residents), so that we can continue to expand training opportunities and exposure to non-O‘ahu sites. Students and residents cannot afford paying high rent on O‘ahu and additional high rent when they are doing their neighbor island rotations.

RECOMMENDATION #2

The HMEC recommends that the legislature support several initiatives that support recruitment and retention of healthcare professionals who serve as faculty members for medical students, physician residents, nursing and nurse practitioner learners. These initiatives include:

- Continuation of the Preceptor Tax Credit, with strategic expansion of eligible specialists and disciplines required to support primary care providers and learning
- Continuation of funding for the Health Education Loan Repayment (HELP) program
- Legislation to decrease administrative burden
- State legislation or policies designed to help increase inflation-indexed provider payments
- Legislation supporting a higher percentage of spending on primary care

- Take active steps to implement State Medicaid GME financing and an all-payor GME financing system for Hawai‘i, which could include line-item allocations to UH, grant funding, models based on Medicare, or financing that gives weight to certain shortage specialties or medically underserved areas within the state, using models similar to Wisconsin, New Mexico, Oregon, or Tennessee.

Statutes and Definitions

The University of Hawai‘i System (UH) and its John A. Burns School of Medicine (JABSOM) administer two (2) statutes related to graduate medical education (GME) and addressing the severe physician shortage needs in Hawai‘i. *See the excerpted text of statutes in Appendix A.*

- [HRS § 304A-1702] – **GRADUATE MEDICAL EDUCATION (GME) PROGRAM** was established to formally encompass the administration of UH JABSOM's institutional graduate medical education (GME) program.
- [HRS §§304A-1703, 1704, 1705] – **MEDICAL EDUCATION COUNCIL** was created within UH JABSOM and called "The Hawai‘i Medical Education Council" (HMEC). HMEC was given the administrative **DUTIES AND POWERS** to:
    1) Analyze the State healthcare workforce for the present and future, focusing in particular on the state's need for physicians;
    2) Assess the state's healthcare training programs, focusing on UH JABSOM's institutional GME enterprise to determine its ability to meet the workforce needs identified by HMEC;
    3) Recommend to the Legislature and UH Board of Regents (BOR) ways in which identified GME and other healthcare training programs can improve and change in order to effectively meet the HMEC assessment;
    4) Work with other entities and state agencies, and in consultation with the Legislature and BOR, develop and implement a Plan to ensure the adequate funding of healthcare training programs in the state, with an emphasis on UH JABSOM GME programs;
    5) Seek funding to implement the Plan from all public (county, state, and federal government) and private sources;
    6) Monitor and continue to improve the funding Plan; and,
    7) Submit an annual report to the Legislature no later than twenty days before the convening of each regular Legislative session.

HRS §304A-1701 defines **"GRADUATE MEDICAL EDUCATION"** or **GME** as that period of clinical training of a physician following receipt of the medical doctor (or osteopathic doctor) degree and prior to the beginning of an independent practice of medicine.

"GRADUATE MEDICAL EDUCATION PROGRAM" means a GME program accredited by the Accreditation Council for Graduate Medical Education (ACGME). UH JABSOM has maintained full ACGME institutional accreditation for its GME programs.

"HEALTHCARE WORKFORCE" includes physicians, nurses, physician assistants, psychologists, social workers, etc. **"HEALTHCARE TRAINING PROGRAMS"** means a healthcare training program that is accredited by a nationally recognized accrediting body.

HMEC Membership

Membership in the Hawai‘i Medical Education Council (HMEC) comprises eight Governor-appointed and Legislature-confirmed individuals and five ex-officio members depicted in Table 1.

Table 1: Hawai‘i Medical Education Council Membership & Staff

Member #	Last Name	First Name	Representing	Appointment Date
Ex-Officio	Shomaker	T. Samuel	Dean, UH JABSOM	Not Applicable
Ex-Officio	Ceria-Ulep	Clementina	Dean, UH Nancy Atmospera-Walch School of Nursing	Not Applicable
Ex-Officio	Ueno	Naoto	Director, UH Cancer Center	Not Applicable
Ex-Officio	Buenconsejo-Lum	Lee	Associate Dean for Academic Affairs, UH JABSOM	Not Applicable
Ex-Officio	Fink	Kenneth	Director, Hawai‘i State Department of Health	Not Applicable
1	Antonelli	Mary Ann	The Federal Healthcare Sector	10/1/2025
2	Segawa	Lance	The Health Professions Community (Kaua‘i)	7/11/2025
3	Kamaka	Martina	The Health Professions Community	7/11/2025
4	Domizio	Jude	A person from the General Public (Hawai‘i Island)	5/12/2025
5	Woo	Russell	A Hospital at Which Accredited Graduate Medical Education Programs are Conducted	10/1/2025
6	Ho	Tammy	A Hospital at Which Accredited Graduate Medical Education Programs are Conducted	10/1/2025
7	Yheulon	Christopher	A Hospital at Which Accredited Graduate Medical Education Programs are Conducted	7/3/2025
8	Inouye Baum	Colleen	The Health Professions Community (Maui)	7/11/2025
HMEC/GME Administrator	Steinemann	Susan	Designated Institutional Official, GME Director, UH JABSOM	Not Applicable
Administrative Support Staff	Costa	Crystal	GME Prog Specialist & Institutional Coordinator, UH JABSOM	Not Applicable

PART 1. FINDINGS

HMEC Meetings

Four (4) HMEC meetings were convened in 2025, and the recommendations are included in this report from meetings held on January 13, April 28, July 28, and October 27, 2025. Appendix B includes a sample meeting agenda. Each item provides members with an opportunity for strategic brainstorming, synthesis, and development of specific next steps, recommendations, or directives to the HMEC/GME administrator.

Statutory Duties of HMEC

DUTY (1): *Analyze the State healthcare workforce for the present and future, focusing in particular on the state's need for physicians*

The 2025 Hawai‘i Physician Workforce Assessment Project showed 3,647 physicians practicing in non-military settings in Hawai‘i. These physicians provide 3,044 estimated full-time equivalents (FTE) of direct care to patients, a decrease of 25 individual providers and 31 FTEs than the previous year (2024). However, there remains a shortage of about 644 FTE of physician services to meet the demand [Figure 1] and over 833 FTE short when examining specific island and specialty needs. Table 2 reflects the physician shortage by county. The 2025 Hawai‘i Physician Workforce Report provides more detail on the methodology and includes information utilizing Hawai‘i county-specific data. Table 3 shows that the most significant shortages continue to be in primary care. However, other specialties and subspecialties are also needed throughout the state. Selected information from the *Report to the 2026 Legislature, "Annual Report on Findings from the Hawai‘i Physician Workforce Assessment Project",* is included below. The full report can be found on the University of Hawai‘i, Legislative Reports website.

Figure 1: Hawai‘i Physician Supply and Demand FTE Comparison over Time as of October 2025

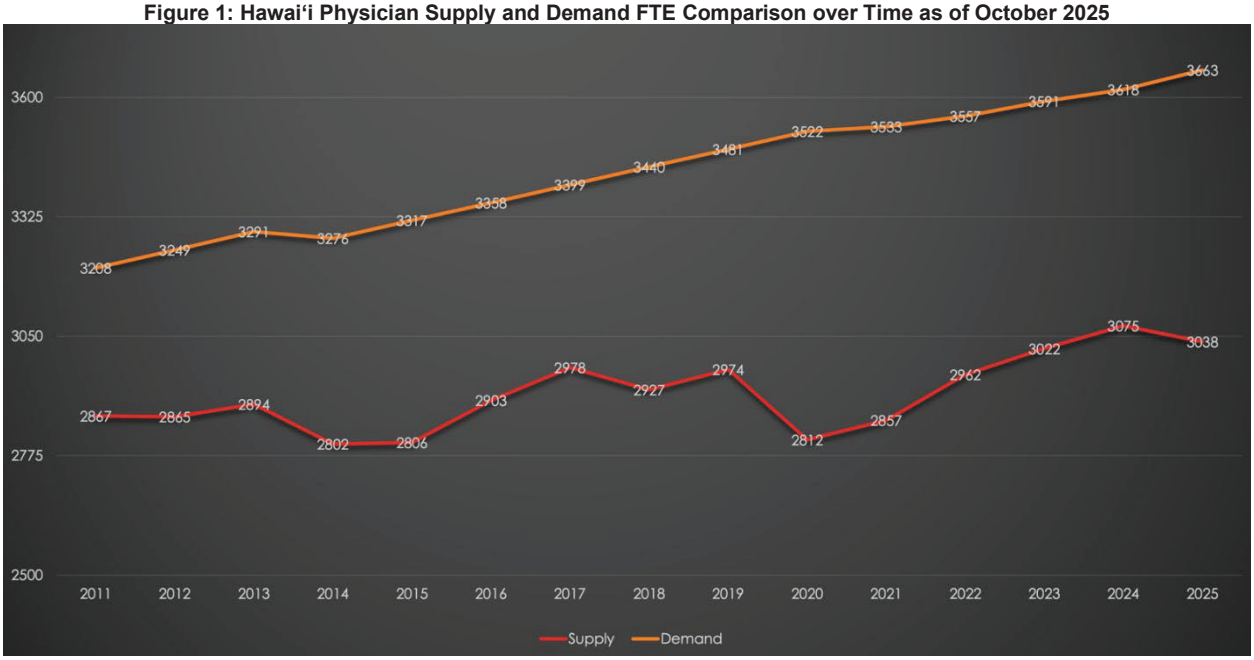

Table 2: Physician Shortage, in Numbers & % Shortage, by County, 2024, 2025

Shortage	Honolulu		Hawai‘i County		Maui County		Kaua‘i County		Statewide	
Years	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
FTE	328	379	201	224	174	179	43	50	768	833
%	13%	15%	40%	43%	41%	41%	24%	28%	21%	23%

Table 3: Primary Care Physician Shortage, in Numbers & % Shortage, by County, 2023, 2024

Shortage	Honolulu		Hawai‘i County		Maui County		Kaua‘i County		Statewide	
Years	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
FTE	86	109	20	21	41	45	6	4	152	178
%	11%	13%	13%	14%	32%	35%	12%	8%	13%	16%

- The most significant number of physicians needed is in primary care (family medicine, internal medicine, pediatrics, and geriatrics), with 178 FTEs needed across the islands. The impact of the physician shortages on access to care is felt most severely on the neighbor islands because of the geographic limitations to access.
- There are also significant shortages of pediatric pulmonology (65%), pediatric gastroenterology (81%), pediatric endocrinology (63%), pediatric critical care (52%), adult pulmonology (56%), cardiothoracic surgery (61%), colorectal surgery (57%), and adult endocrinology (58%) throughout the islands. Because of the relatively small population, most subspecialists (surgical or medical) would have insufficient patients to maintain a full-time practice on a neighbor island.
- Physician retirement is a significant factor in widening the gap between demand and supply. The average age of practicing Hawai‘i physicians is 55.4 (compared to 54.4 U.S. average) slightly up from 53.9 (2024), with 25% already over 65 (24% in 2024). Notably this is higher than the 2023 AAMC-reported percentage of 23.4%, a figure that is higher than the percentage of the U.S. population in the same age bracket. These physicians will likely retire within 5-10 years. In addition, payment transformation and other significant health system changes push some older physicians in small practices (those with less than five physicians per practice) toward early retirement. From 2017-24, at least 623 physicians retired, and 961

physicians are known to have left the state. In 2025, at least 81 retired, 14 passed away (10 in 2024), and more than 88 moved out of state.

- The JABSOM GME programs graduate between 70-80 residents and fellows per year. Still, most surgeons and orthopedic surgeons, and about one-third of internal medicine residents go to the continental U.S. for additional training in subspecialty fellowships. At completion of the 2024-2025 academic year, 46% of GME graduates in aggregate either moved away for practice (16%) or moved out of state for additional specialty fellowship training (30%). While many of those with Hawai‘i ties do eventually return home, their return may occur 10-15 years later, depending on the specialty and the availability of Hawai‘i jobs with salaries and benefits that can adjust for the high cost of living and loan repayment obligations. The Hawai‘i Island Family Medicine Residency Program (Hawai‘i Health Systems Corporation (HHSC-sponsored)) graduated six physicians in 2025 and is anticipated to graduate five in 2026. Most of their graduates have stayed in Hawai‘i to practice. On average, the Kaiser Permanente Hawai‘i Internal Medicine Residency Program graduates four to five per year, with 75% of their recent graduates (class of 2025) currently practicing primary care internal medicine or hospital medicine in Hawai‘i.
- Appendix C provides a snapshot of JABSOM medical school or GME graduates practicing in federally or state-designated health professional shortage areas or medically underserved areas.

DUTY (2): Assess the State’s healthcare training programs, focusing on UH JABSOM’s Institutional GME enterprise to determine its ability to meet the workforce needs identified by HMEC

The UH JABSOM is the Sponsoring Institution for twenty-one approved ACGME-accredited programs (an increase of two since 2024) and one unaccredited fellowship (not eligible for accreditation) (Table 4). In 1965, without a UH-owned-and-operated hospital, UH JABSOM collaborated with private community hospitals/clinics and state and federal healthcare departments and agencies to form an integrated network of teaching hospitals/clinics. UH JABSOM learners, i.e., residents and fellows (and 3rd and 4th-year medical students), are educated and trained within this network of clinical learning environments. In addition, the core teaching hospitals and clinics house UH JABSOM’s eight clinical departments: Family Medicine (Hawai‘i Pacific Health-Pali Momi Medical Center), Geriatric Medicine (Kuakini Medical Center and Queen’s Medical Center), Pediatrics and Obstetrics/Gynecology (Hawai‘i Pacific Health-Kapi‘olani Medical Center and Queen’s Medical Center), and Internal Medicine, Pathology, Psychiatry and Surgery (The Queen’s Medical Center).

Between 2018 and 2023, in contrast to the contiguous 48 states which increased the number of trainees by an average of 13.8%, Hawai‘i reduced the number of trainees (-15.6%). However, Hawai‘i has reversed that course with a 7.9% increase in trainees since the 2023 academic year. We currently train an average of 245 physicians, in our accredited GME programs listed in Table 4. In 2025, 42% were graduates of UH JABSOM, 43% from U.S. Medical Schools outside Hawai‘i, and 15% from international medical schools, a 5.4% overall increase in enrollment over the last 10-years. This mix of Hawai‘i, U.S. national, and international medical graduates (IMG) is ideal for Hawai‘i-based GME programs. It is particularly appropriate for Hawai‘i with its diverse, multicultural population of indigenous and migrant ethnic groups. JABSOM’s GME programs produce primary care, specialty, and subspecialty physicians who become independent licensed practitioners in Hawai‘i and the U.S.. More than ten JABSOM graduates practice in the U.S. Affiliated Pacific Island jurisdictions, and many JABSOM faculty (who were once JABSOM students or residents) provide training to health providers in the Territory of Guam, Commonwealth of the Northern Mariana Islands, Territory of American Samoa, and the Freely Associated States of the Federated States of Micronesia, Republic of the Marshall Islands, and

the Republic of Palau. In addition, a few graduates have returned to Japan to transform the medical education system to become more consistent with the competency-based training model used by all ACGME-accredited residency and fellowship programs. Our graduates also serve as teachers for JABSOM medical students or residents doing electives in Japan.

Additionally, the 2024 AAMC Physician Workforce Data Dashboard reports that Hawai‘i has the highest number of MD graduates practicing in the state when they also train in Hawai‘i for residency, with 86.8% compared to the national median of 68.9%.

Table 4: UH JABSOM GME ACTUAL FILLED RESIDENT & FELLOW POSITIONS COMPARED TO 2009 HMEC REPORT

CORE RESIDENCY PROGRAMS (9):	2009	2015	2020	2025
Family Medicine (FM)[A]	18	18	21	24
Internal Medicine (IM)[B]	58	58	59	62
Internal Medicine Primary Care (IMPC)[B]	n/a	n/a	n/a	4
Obstetrics & Gynecology (OB/GYN)	25	25	25	25
Orthopedic Surgery (ORTHO)	10	10	10	10
Pathology (PATH)	10	10	10	11
Pediatrics (PEDS)	24	24	24	22
Psychiatry (PSY)[C]	28	23	28	27
Surgery (SURG)[D]	23	23	21	23
Core Program TOTALS	**196**	**191**	**198**	**208**
SUBSPECIALTY FELLOWSHIP PROGRAMS (14):	**2009**	**2015**	**2020**	**2025**
FM – Sports Medicine (SM)	1	1	1	1
IM – Cardiovascular Disease (CVD)[E]	6	8	9	11
IM – Geriatric Medicine (Geri-Med)	10	9	7	5
IM – Gastroenterology (GI)[B]	n/a	n/a	n/a	1
IM – Movement Disorders (Neuro specialty)[B]	n/a	n/a	n/a	0
OB/GYN – Maternal Fetal Medicine (MFM)	1	3	3	3
OB/GYN – Complex Family Planning (CFP)	n/a	2	2	2
PEDS – Neonatal Perinatal (Neo-Peri)	4	2	1	5
PSY – Addiction Psychiatry (Addict-PSY)	2	1	0	0
PSY – Child & Adolescent Psychiatry (CAP)	4	6	6	7
PSY – Addiction Medicine (ADM)	n/a	1	1	1
SURG – Surgical Critical Care (SCC)	2	3	1	2
NISURG – Neurointerventional Surgery	n/a	n/a	n/a	1
Subspecialty Program TOTALS	**30**	**36**	**31**	**39**
Core + Subspecialty TOTALS	**226**	**227**	**229**	**247**

Priorities for new or expanded GME programs at JABSOM (superscripts are from Table 4).

[A] Family Medicine (FM) (3-year core program). Given the high need for primary care, as well as the JABSOM FM Program’s track record of retaining 80% of its graduates in Hawai‘i (including several on Hawai‘i Island, Maui, Kaua‘i, and Lana‘i), the program was gradually able to expand from 18 to 21 residents. Expansion to the neighbor islands requires teaching and clinical space, faculty personnel, judicious use of telehealth to connect to specialists and FM colleagues on O‘ahu, and funding to support high housing and transportation costs.

Kaua‘i Rural FM residency program: In August 2023, UH JABSOM was awarded the HRSA-23-037 Rural Residency Planning and Development grant in close partnership with Hawai‘i Pacific Health/Wilcox Medical Center, the Kaua‘i District Health Office, and Hawai‘i Health Systems Corporation – Kaua‘i region. The program successfully obtained ACGME Initial Accreditation as a Rural Residency Program in May 2025. The program will recruit its first cohort of residents to complete their first year on O‘ahu in July 2026, with the last two years of training occurring on Kaua‘i. When the UH JABSOM Kaua‘i program matures (meaning three classes of four residents per class) in 2028, that will add 12 residents to the current 21 JABSOM trainees, for a total of 33.

Hawai‘i Island Rural FM residency track: In August 2024, the Queen’s Health System was awarded a HRSA Rural Residency Planning and Development grant, in partnership with JABSOM. Currently in the second year of planning, the goal is to develop a rural training track on Hawai‘i island, with the continuity training site centered at the Queen’s North Hawai‘i Community Hospital, with a targeted start date in July 2027.

[B] Internal Medicine (IM) – Primary Care and subspecialty fellowships.

Primary Care IM (3-year residency): The core Internal Medicine program developed a Primary Care Track several years ago, with increasing numbers of recent graduates choosing careers in Primary Care. The Department, with The Queen’s Health Systems, launched a new, separate Primary Care Internal Medicine Residency Program, which matriculated four residents in July 2024, and welcomed its second class in July 2025 for a current cohort of eight trainees and is anticipated to reach full complement of twelve trainees by 2026 (four trainees per year).

Neurointerventional Surgery 2-year, non-ACGME fellowship): This is a subspecialty that overlaps the domains of Neurosurgery, Neurology and Interventional Radiology, and accepts graduates from those core residency programs. These specialists provide technologically advanced treatment for stroke, trauma, and neurologic cancer, and the demand for this specialty is expected to grow exponentially. The first fellow matriculated in July 2024.

Gastroenterology (3-year fellowship): This subspecialty remains highly needed, especially given the increased prevalence of liver disease in specific Asian and Pacific populations and more endoscopic procedural needs for early cancer detection in the elderly. This program received its ACGME new program accreditation and welcomed its first fellow in July 2025 thanks to philanthropic support. The program will be recruiting two fellows starting in 2026, with a goal to increase in subsequent years until reaching a full complement of nine trainees, three per year.

Hematology and Medical Oncology (3-year fellowship): Given the high burden of cancer, which is expected to increase as the population of Hawai‘i ages, and the anticipated retirement of almost 25% of our current oncology workforce within the next ten years, JABSOM, the UH Cancer Center, Queen’s Health System, and Hawai‘i Pacific Health have collaborated to develop the academic faculty base, research infrastructure, and clinical sites, and have submitted an application for a new program, aiming to start in July 2027 if ACGME-approved, with two trainees per year (six total).

Neurology (4-year residency): The neurologist shortage and aging workforce in Hawai‘i (37% at or near retirement age 60+), more pronounced on the neighbor islands, continues to delay immediate patient care needs with long wait times compounded with rising stroke volumes. A neurology residency directly addresses workforce shortages, cuts wait times, expands neighbor island access, and builds a durable local pipeline. A new residency program application was submitted anticipating ACGME Initial Accreditation by February 2026. If approved, the program will recruit its first cohort of four trainees in July 2027, and reach a full complement of sixteen trainees (four per year) by 2030.

High interest remains in starting new (e.g., Anesthesia) and expanding (e.g., primary care, behavioral health) GME programs, particularly to neighbor islands. However, progress depends on protected, compensated faculty time (including neighbor island faculty), sustainable resident/fellow funding, and added clinical research capacity across UH and health systems.

[C] Addiction Medicine (ADM) (1-year fellowship). This fellowship began on July 1, 2019, with one fellow. The program will be recruiting 2 fellows to start in July 2026.

[D]General Surgery (SURG) (5-year core program). Even after expanding to 25 residents (5 per year) to increase training capacity on the neighbor islands and Leeward Oʻahu, further program expansion will require significant resources to increase neighbor island training rotations, including meeting sufficient patient volume. However, there is interest in developing a rural surgery track.

[E]Cardiovascular Disease (CVD) (3-year fellowship). The CVD program recently expanded to 12 fellows (graduating four new cardiologists annually). The expansion of fellows and faculty allows exploring the feasibility of having some components of training done on the neighbor islands.

Significant gaps remain in many specialties, but measured GME expansion requires legislative support, health system capacity, and a favorable federal environment.

- As Federal Direct GME funding for resident FTE has generally remained flat, our partner health systems have paid for new and expanded programs, some core faculty positions, and the incremental salary increases for the residents/fellows from their operation funds. Constant changes in CMS payments to hospitals and providers, lower reimbursement rates for Hawaiʻi providers, and budget challenges cause us to slowly and very strategically expand GME programs based on the highest need, readiness, and capacity for an excellent educational program with research opportunities. According to the AAMC, physician supply and demand projections (March 2024), population growth and aging continue to have the greatest impact on physician workforce demands. With the anticipated U.S. population projections to increase by 8.4% between 2021 and 2036, and the percent of physicians older than 65 projected to grow by 34.1%, the physician demand nationally is projected to grow faster than the supply, leading to a shortage of between 13,500 to 86,000 physicians by 2036. While these projections are based on continued investments in GME, without funding, projections are anticipated to resemble shortfalls from 2021, with a 124,000 physician shortage by 2034. Because it takes seven to 15 years to train a doctor, supporting an increase in the number of GME slots is part of a multifaceted strategy to support population care demands. For this reason, the UH System, JABSOM, and HMEC continue to work with the Hawaiʻi congressional delegation, AAMC, Alaska, and other advocacy partners to modify the future legislation that creates more GME positions, so that the eligibility and priority criteria are more favorable to the island geography of Hawaiʻi.

- Passage of the One Big Beautiful Bill Act and other federal actions greatly challenge and constrain the health system partners' ability to finance their missions, including the academic mission which includes GME. The reduction in Medicaid funding, compounded by the new Medicaid work requirements, and increasing cost of doing business in Hawaiʻi make it imperative for all parties to work together to transform our healthcare financing and delivery systems toward more sustainability.

- Resources beyond resident positions and administrative support are also needed for training faculty members and adding clinical training sites to ensure the provision of appropriate clinical supervision in the context of providing high-quality and safe patient care. Currently, many of the patients receiving care on academic teaching services are under- or uninsured or highly medically and socially complex. JABSOM has long relied on more than 1,000 volunteer teachers for our medical students and residents. However, as the economic

challenges mount, it is becoming more difficult to find preceptors. HMEC recommendation #2 details ongoing and proposed initiatives that will help recruit and retain faculty preceptors so that we can continue to grow the next generation of physicians and other health care providers, including nurse practitioners and physician assistants.

Continuing work on improving retention (or return to Hawai‘i) of GME program graduates

- JABSOM has increased its class size to near capacity, given physical space constraints at the Kaka‘ako campus and crowded clinical rotations on O‘ahu. Since July 2019, JABSOM has accepted seventy-seven (77) medical students annually. In July 2025, 87% (88% in 2024) of the entering students were from Hawai‘i, including four residents from Hawai'i Island, two from Kaua‘i, two from Maui, and one from Moloka‘i (last year there were five neighbor island residents from Hawai‘i Island (2), Kauai (2) and Maui (1)). Nine new students entered the Class of 2029 through the challenging one-year ‘Imi Ho‘ōla Post-Baccalaureate Program (same amount from last year). Ten students are from the U.S. continent. JABSOM aims to gradually increase the class size to 85 over the next five or six years, but will require additional clinical training sites on O‘ahu and the neighbor islands and faculty members.

- Many of our GME programs retain more than 60% of their program graduates if the trainees also completed their medical education at JABSOM: Family Medicine (80%), Obstetrics-Gynecology, Complex Family Planning, Geriatrics, General Psychiatry, Addiction Psychiatry, Addiction Medicine, and Child and Adolescent Psychiatry. In Pediatrics, those who subspecialize after residency often return to Hawai‘i. Internal Medicine and Surgery is also steadily improving its retention or return of its graduates (these numbers include the internal medicine and surgical subspecialties). All GME programs recruit residents who are more likely to practice in Hawai‘i, but the National Resident Matching Program rules disallow direct recruitment or guaranteed placement. Therefore, our programs do not completely control who is hired into the residency program. For those programs whose graduates continue in subspecialty fellowships in the continental U.S., those graduates with Hawai‘i ties eventually return home. Still, depending on the specialty and availability of jobs upon completion of fellowship, it may be 10-15 years later.

- Continued work is needed to develop more teachers of JABSOM students and residents throughout the state. Further increases in medical student class size and residency (GME) positions in Hawai‘i will require additional faculty members for teaching and supervision. Our GME program graduates are actively recruited to help fill this gap, but require some non-clinical protected time for duties expected of core faculty members.

Additional barriers to physician retention that must be addressed

- The high student loan burden, lower salaries and reimbursement rates (compared to other parts of the country), and the very high cost of living in Hawai‘i may entice JABSOM graduates to the continental U.S. or keep them there for most of their careers. UH and JABSOM partner with many independent and other physician organizations to advocate for an increase to the Medicare Geographic Practice Cost Index (GPCI) to increase Medicare reimbursement; most other health insurers in Hawai‘i adopt the Medicare rates and fee schedules.

- In 2024, the average educational debt (undergraduate plus medical school) of JABSOM graduates was $151,710, with 14% having debt higher than $200,000. This figure does not account for some students needing additional personal loans to cover their housing or other living expenses. Medical students start repaying their loans while in residency; for some, the

high debt and high cost of housing/living in Hawai‘i contribute to their decision to seek their residency training on the continent. The continued growth of philanthropy (4-year scholarships including tuition and fees, with a service commitment) is needed to recruit talented and promising Hawai‘i students to JABSOM. As of 2025, 22% of JABSOM students receive four-year, full-tuition scholarships. Additionally, 93% of JABSOM students receive some form of financial aid, keeping in line with 2024 data. Expansion of loan repayment programs or scholarships, especially those prioritizing practice in rural areas or with underserved communities, helps attract our JABSOM graduates to help meet our state's workforce needs. More information on the successes of the Hawai‘i State Loan Repayment Program and the new Healthcare Education Loan Repayment Program (HELP) are noted in Duty 5. Notably, the new caps on Federal Loans for health professions may dissuade students from pursuing careers in medicine or in lower paying medical specialties, such as primary care and geriatrics.

- Rapid changes in medicine and reimbursement sway many young physicians away from primary care specialties and ambulatory practices in the communities where they are most needed. As a result, local health systems and insurers must work together to create attractive and meaningful jobs for JABSOM graduates and other Hawai‘i-born physicians who have completed their schooling in the continental U.S.. In addition, more group practices with staffing to provide team-based, high-quality care are needed, especially on the neighbor islands.

GME Programs Outside of JABSOM

- Hawai‘i Health Systems Corporation (HHSC) Hilo Medical Center has welcomed its twelfth class of residents to the Hawai‘i Island Family Medicine Residency Program. In 2025, they have a total of 17 residents meeting their initial program size goal.

- The Waianae Coast Comprehensive Health Center (WCCHC) started a Family Medicine Residency Program, with WCCHC as a single-program sponsoring institution, in July 2025. They plan to recruit three residents per year for a total complement of nine once the program matures in 2027. UH JABSOM will synergize with the WCCHC program and is currently coordinating with the Hawai‘i Island Family Medicine Residency Program. If resources are obtained as planned, then by 2028, Hawai‘i's civilian Family Medicine Programs will total ~63 residents and graduate 20-21 per year (UH at Pali Momi 7 + UH at Kaua‘i 4 + UH at Queen's North Hawaii 1-2 + HHSC Hilo 5-6 + WCCHC 3), which will help narrow the primary care gaps.

- Kaiser Permanente on O‘ahu recruited its eleventh class of five (5) residents to its Internal Medicine Residency Program and has 15 residents in total. By 2027, when the new UH primary care Internal Medicine program matures, there should be nine new primary care internal medicine graduates per year combined.
- Tripler Army Medical Center's (TAMC) 12 accredited GME programs also continue to help serve the physician workforce needs of the military community. Some trained at TAMC eventually return to Hawai‘i to practice in the military and stay in the civilian community upon retirement. UH also jointly sponsors our neonatal-perinatal fellowship with TAMC. Recent fellows have been active-duty military, with a current civilian fellow who will stay in Hawai‘i to work after completing their fellowship.

Funding GME is the largest barrier to UH JABSOM's ability to meet workforce needs

Declining federal and hospital funding of GME is a challenge for the state of Hawai‘i because Hawai‘i, unlike most states, does not currently directly appropriate state funds for resident GME

positions. Hawai‘i is one of the few states that does not have access to Federal Medicaid GME funding. Most of our major hospital training sites, especially those primarily supporting our GME fellowships, are paying for GME training costs out of operations, since we have insufficient CMS-reimbursable GME positions. For this reason, the UH System, JABSOM, and HMEC continue to work with the Hawai‘i congressional delegation, AAMC, Alaska, and other advocacy partners to modify the proposed future legislation that would create more GME positions in the US, so that the eligibility and priority criteria to obtain new CMS GME positions are more favorable to the island geography of Hawai‘i.

Given the work on the AHEAD model, Hawai‘i healthcare partners, insurers, and the state should take active steps to implement State Medicaid GME financing and an all-payor GME financing system, which could include line-item allocations to UH, grant funding, models based on Medicare, or financing that gives weight to certain shortage specialties or medically underserved areas within the state, using models similar to Wisconsin, New Mexico, Oregon, or Tennessee. Additionally, passing legislation that supports a higher percentage of spending on primary care will be critical to success in the AHEAD model.

Given the challenges described above, a significant focus of HMEC since 2016 has been to strengthen partnerships and examine possibilities for additional GME resources.

State-level collaboration and coordination of GME efforts are needed

- To the extent possible, it is in Hawai‘i’s best interest to have the HMEC serve as a systems-level forum through which statewide strategic planning of GME programs can help find the optimal economies of scale to train and deploy graduating residents/fellows into the physician workforce.

- Currently, there is a strong collaboration with the Veterans Administration (VA) Pacific Islands Healthcare System. The VA representative on the HMEC provides essential information regarding current and anticipated VA needs and funding opportunities and how the UH GME programs may help the VA meet future workforce needs, particularly outside of urban Honolulu on the neighboring Hawaiian Islands, Guam, and American Samoa. Given different curricular requirements and clinical constraints at the VA, we have maximized the rotation opportunities in Internal Medicine, Family Medicine, Geriatrics, and Psychiatry. In addition, we are exploring options to expand training in addictions for general psychiatry residents, addiction medicine, and addiction psychiatry fellows. As VA faculty capacity and clinical operations are reconfigured to accommodate resident learners, we hope to have more primary care or psychiatry experiences at neighbor island VA clinics or the Akaka clinic, which opened in Leeward O‘ahu in April 2024.
- As part of a long-standing collaboration with the Tripler Army Medical Center (TAMC), several UH residency and fellowship programs have a portion of their clinical rotations at TAMC. Similarly, several TAMC programs rotate their residents at The Queen’s Medical Center and Kapi‘olani Medical Center for Women and Children. In addition, the only neonatal-perinatal program in the U.S. Pacific is shared between UH and TAMC. For this academic year, we have four fellows in the neonatal-perinatal program. The program includes educational experiences and collaborations with neighbor island hospitals, with the aim to improve birth and early childhood outcomes. Overall, the state will benefit from having more fellowship trained neonatologists trained in a systems-approach to health care delivery and health outcomes.

- Stronger partnerships between JABSOM and its two major clinical affiliates (Hawai‘i Pacific Health and Queen’s Health System) have been in place since 2021 to attract and retain academic faculty committed to working with diverse populations, teaching, and conducting scholarly activity to reduce health disparities and improve health for all Hawai‘i's populations. These partnerships are critical for medical student education and residency/fellowship GME training. Over the past three years, there have been 43 new faculty appointments processed to help support medical student and/or resident/fellow learning throughout HPH and Queen’s health systems. There are over 1,500 noncompensated faculty who do not receive funding from the state but volunteer a portion of their time to teaching in the clinical environments. As the health systems are under increasing financial pressure, due in part to cuts in federal healthcare funding, it has become more difficult for the health systems to support “protected” (non-clinical time) for faculty teaching, administration and scholarly activity. Thus, additional support for faculty academic efforts for GME is needed.

- JABSOM and the HMEC have partnered with the UH Rural Health Research and Policy Center to provide data and educate policymakers regarding potential policy changes at the state (i.e., the GET tax waiver for independent health care providers) and the federal level (i.e., GME positions, non-contiguous designation).

DUTY (3): Recommend to the Legislature and UH Board of Regents (BOR) ways in which identified GME and other healthcare training programs can improve and change in order to effectively meet the HMEC assessment

The UH JABSOM’s Institutional Program and each of its individual GME training programs continually address any citations, concerns, or anticipated threats to success and utilize the ACGME requirements as minimum requirements. The Annual Institutional Review meeting in September 2025 refined the numerous activities used for continuous improvement of the Institution (across programs) and supported program-specific quality improvement efforts that largely focus on creating excellent, safe, supportive, inclusive, and diverse clinical learning environments that support the provision of high quality, safe patient care for all patients, and especially those suffering disproportionate health disparities. Details of the JABSOM GME Annual Institutional Review and strategic focus areas can be found on our GME website. Since late 2016, the UH JABSOM GME programs, their primary hospital partner training sites, and key community stakeholders, including the HMEC, have been operationalizing a long-term strategic plan to develop a physician workforce that continues to advance the health and well-being of the people of Hawai‘i. The HMEC, JABSOM, and key stakeholders continue to work on these strategic areas, most of which were described in more detail earlier or below in Duty 5:

1. Secure additional **resources** to maintain and expand GME programs. This includes funding for resident positions, supplemental educational activities, and additional faculty and clinical training sites (especially on the neighbor islands).
2. Develop a multi-pronged approach to improve physician **retention** in Hawai‘i. This includes ongoing activities before and during residency training, policy advocacy related to payment, work with health systems, insurers, the state, and other partners to make Hawai‘i a desirable place to practice, and advocating with state, county, and private entities for more affordable housing – especially for those still in training and those who want to spend a portion of their training on a neighbor island.
3. In partnership with the health systems and insurers, develop strategies to address and prevent physician burnout and **promote physician well-being**.
4. Expand **neighbor island** and telehealth training opportunities for residents and fellows. Numerous national studies prove that the best ways to attract and retain physicians in

rural settings are to 'grow your own' and provide clinical training embedded within local community clinics and hospitals. Resources will be needed to develop clinical sites and faculty, as well as for resident housing and transportation. The lack of these resources constrains most programs' ability to offer neighbor island rotations.

   a. Details on JABSOM's neighbor island expansion efforts are detailed in Duty 5.

5. Incorporate more aspects of **population health** and **interprofessional education and training** into all GME programs to better equip future physicians to practice in team-based, patient and population-centered clinical settings. This effort includes primary care-behavioral health integration.

DUTY (4): Work with other entities and state agencies, and in consultation with the Legislature and BOR, develop and implement a Plan to ensure the adequate funding of healthcare training programs in the state, with an emphasis on UH JABSOM GME programs

The information and strategies articulated in Duties 2, 3 and 5 comprise the Plan to ensure the adequate funding of healthcare training programs in the state, with an emphasis on UH JABSOM GME programs. The recommendations below support expansion to the neighbor islands and increasing pathways to grow other highly needed health professionals, particularly from rural and underserved areas. Both recommendations augment additional efforts by the Healthcare Association of Hawai'i, health systems on all islands, county officials, the Department of Education, UH community colleges, and other UH health professions schools to help address our dire shortages.

RECOMMENDATION #1

In an ongoing effort to encourage educational rotations and future careers in healthcare on the less populated and/or rural island communities throughout the state of Hawai'i, the UH/HMEC recommends that the State Legislature develop a long-term plan to address the lack of affordable housing on the neighbor islands, including health workforce housing in closer proximity to health care facilities. The legislature should continue supporting JABSOM and specific county efforts to pursue affordable housing options for health professional learners (i.e. students, residents), so that we can continue to expand training opportunities and exposure to non-O'ahu sites. Students and residents cannot afford paying high rent on O'ahu and additional high rent when they are doing their neighbor island rotations.

RECOMMENDATION #2

The HMEC recommends that the legislature support several initiatives that support recruitment and retention of healthcare professionals who serve as faculty members for medical students, physician residents, nursing and nurse practitioner learners. These initiatives include:

- Continuation of the Preceptor Tax Credit, with strategic expansion of eligible specialists and disciplines required to support primary care providers and learning
- Continuation of funding for the Health Education Loan Repayment (HELP) program
- Legislation to decrease administrative burden
- State legislation or policies designed to help increase inflation-indexed provider payments
- Legislation supporting a higher percentage of spending on primary care
- Take active steps to implement State Medicaid GME financing and an all-payor GME financing system for Hawai'i, which could include line-item allocations to UH, grant funding, models based on Medicare, or financing that gives weight to certain shortage

specialties or medically underserved areas within the state, using models similar to Wisconsin, New Mexico, Oregon, or Tennessee.

DUTY (5): Seek funding to implement the Plan from all public (county, state, and federal government) and private sources

FEDERAL SUPPORT TO DATE

- Federal and private funding to retain health providers through loan repayment programs was obtained in 2012. The 2017 Legislature and Governor Ige approved matching funds to increase educational loan repayments offered through the Hawai'i State Loan Repayment Program, which is matched with Federal Dollars. The program works to retain existing primary care and behavioral health providers through loan repayment, contingent on a commitment to practice in a Health Professional Shortage Area in Hawai'i for two years after loan repayment. Hawai'i has one of the most successful programs in the country, with 63% (as of 2022) of loan repayers continuing to work in the area after completing their service requirement. We are grateful to the 2023 Legislature for $1 million per year into the Department of Health's base budget, which will be used to match the Federal loan repayment dollars that support primary care and behavioral health in health professional shortage areas. Additional details on the success of the Hawai'i State Loan Repayment Program can be found in the 2026 Hawai'i Physician Workforce Report.

- The Hawai'i/Pacific Basin Area Health Education Center (AHEC)'s three Federal grants support the "Pre-Health Career Core" program that establishes a pathway for health careers. The program has already guided more than 3000 high school and college students interested in health careers. The program is funded for four years and covers health sciences, shadowing, mentoring, research experiences, and Medical College Admissions Test preparation. These and other JABSOM pathway programs coordinated by the Office of Medical Education, Native Hawaiian Center of Excellence, and JABSOM's Huaka'i program target middle school and high school public school students from underserved or educationally or socially disadvantaged areas, including the neighbor islands. Unfortunately, there is uncertainty about the future of these important programs as some federal proposals eliminate certain HRSA funded programs.

STATE SUPPORT TO DATE

- Hawai'i Healthcare Education Loan Repayment (HELP) program. We thank Governor Green and the 2023 Legislature for authorizing $30 million over two years for the HELP, which benefits physicians, nurse practitioners, nurses, psychologists, and other high-shortage health professions. As of December 2025, 928 applications were approved (335 physicians) with 411 of those loans paid off completely (121 physicians), disbursing $14.5 million since inception, with another 1,885 applications on the waiting list. The disbursements include the generous donation from Mark and Lynn Benioff to support loan repayments for health providers on Hawai'i Island. All awardees are expected to complete a minimum two-year service commitment working and serving patients in Hawai'i. Of the 928 awardees only two have not met their service commitment.The 2025 Legislature authorized an additional $15 million each year of the biennium. If the State can continue these loan repayment funds, this will be a good method to recruit our physicians back home earlier and help encourage careers in lower-paying medical specialties. JABSOM will closely monitor this novel program's short- and long-term impacts. More information on the HELP program can be found at https://www.ahec.hawaii.edu/hawai%ca%bbi-help/. Updates on the outcomes can be found in Appendix E.

- JABSOM greatly appreciates the 2022 Act 248 new 6.0 faculty FTE and additional base budget funding for salaries and operational expenses (neighbor island rotation expenses). The FTE has been split and leveraged with existing G funds or private (health system or other employer) funding for eight part-time faculty on the neighbor islands (four on Kauaʻi, two on Maui, two in Hilo), and seven new core JABSOM faculty who support medical school (medical students and residency) innovations and expansion of training sites across Hawaiʻi.

- JABSOM is extremely appreciative of the 2022 Act 262 one-time appropriation to JABSOM with an emphasis on supporting residency training on the neighbor islands and in medically underserved populations throughout the State ($2.7 million); and to create further medical residency and training opportunities through a partnership between JABSOM and the U.S. Department of Veterans Affairs ($4 million). $3.2 million of the one-time appropriations for fiscal year 2022-2023 supported faculty, administrative staff, resident salaries, transportation, and travel costs when they rotated on a neighbor island. Unfortunately, the VA could not develop the mechanisms to support faculty expansion in sufficient time to expend funds. As noted in Duty 2, creating new residency positions and programs requires educational experiences, including faculty and space, that meet accreditation standards. Additionally, sustained funding (federal, state, and private) for resident/fellow salaries is required to support and finish a resident or fellow once we accept them into their training program (3-5 years for core programs, 1-3 years for fellowships).

- JABSOM appreciates the 2024 Act which added 3.0 new FTE to support neighbor island expansion of medical education (UME and GME) and increased capacity for numerous health workforce and STEM pathways and connectivity to and with the UH Community Colleges, and UH's four year colleges providing advanced degrees in healthcare and science. The pair of 0.5 FTE medical education lead physician and 0.5 FTE non-physician health professions coordinator – one pair for Hawaiʻi Island, Maui County, and Kauaʻi – supports Duty 2. To date, the Kauaʻi dyad has been hired. The lead physician for Maui County started November 1, 2025 and finalists for the health professions outreach coordinator are being interviewed. The Hawaiʻi Island medical education lead physician is being split into two 0.25 FTE, given the large geography and complexity of healthcare on Hawaii island. We anticipate the Hawaiʻi Island positions to be filled by the end of December 2025.

- The Council greatly appreciates the 2024 Legislature's passage of SB1035 (GET Exemptions on Medical Care) as the GET has been a major factor in provider attrition and closures of independent practices; this disproportionately impacts the neighbor island and rural Oʻahu.

- **Preservation of current state (general) funding and full allocation of tuition funding** to support JABSOM faculty and staff members is needed to preserve our excellence in medical education, including expanding current training on the neighbor islands and with underserved populations throughout the state.

CONTINUED HEALTH SYSTEM SUPPORT, as detailed in Duties 2 and 3.

- These partnerships allow system improvements and additional resources to support faculty in achieving excellent clinical learning opportunities for our medical students and residents/fellows.

PHILANTHROPIC SUPPORT TO DATE

- 4-year scholarships to medical school will need to increase. Currently, about 22% (same as last year) of JABSOM first-year students have 4-year tuition scholarships. Ninety-three percent (increase from 89% in 2024) of JABSOM students receive some form of scholarship

or other financial aid. Reducing the educational debt for JABSOM graduates will allow those considering high-need specialties (for Hawai‘i) to choose to stay in Hawai‘i, with its high cost of living and a generally lower salary compared to some markets in the continental U.S. Some states have provided such scholarship funds to the state medical school.

FEDERAL CMS RURAL HEALTH TRANSFORMATION PROGRAM

- JABSOM leads the Workforce Development Initiatives in the **Hawai‘i Rural Health Transformation Program (RHTP)** application to CMS. The 5-year RHTP initiative, led by the Governor’s Office, includes five major coordinated initiatives addressing Workforce Development, Telehealth, Accessing Care, Rural Health Information Network, and a Rural Value Based Innovation Fund. Most of the workforce initiatives are built on prior recommendations by HMEC, the annual Physician workforce report, the State Center on Nursing reports, Healthcare Association of Hawai‘i health workforce reports, and Hawaii’s rural providers and communities. By January 2026, the Governor’s office and partner state agencies, including UH, DOH, SHPDA, and MedQUEST, will know the outcome and funding available for the RHTP initiatives. The Hawai‘i Outreach for Medical Education in Rural Under-resourced Neighborhoods (HOME RUN) includes initiatives to

    - Expand high school health certificate or health-relevant vocational training and health careers support

    - Expand rural clinical training opportunities for medical students, residents, nurse practitioners, and physician assistant trainees

    - Expand neighbor island GME rotations, rural training tracks, and establish at least one new primary care residency program, and expand nursing residency programs in rural areas, as defined by HRS §1B-1.

    - Recruit and retain trained healthcare workers and providers to rural areas to practice by (a) training and upskilling existing healthcare workers, (b) establishing support systems to encourage completion of schooling and retention of rural healthcare workers. The proposal includes funding for scholarships for all categories of healthcare-leading training programs, financial support or incentives for visiting rural-serving specialists, and limited practice support for rural providers. All scholarships and incentives are tied to a 5-year service commitment, with significant financial penalties for breaking the service commitment.

DUTY (6): Monitor and continue to improve the funding Plan

See recommendations under DUTY 4 and DUTY 5. The ACGME requires the UH JABSOM’s Graduate Medical Education Committee (GMEC), with oversight by the Office of the Designated Institutional Official (DIO) to monitor the implementation and effectiveness of the plans to improve and grow GME in the shortage specialties. HMEC input and guidance, in addition to the ongoing engagement by health systems, the Department of Health, and the legislative and Executive branches, addresses the matching of state specialty provider needs with training program growth and development. A summary of the results will annually be incorporated in our HMEC report to the Legislature.

DUTY (7): Submit an annual report to the Legislature no later than twenty days before the convening of each regular Legislative session.

This annual report for the Legislature serves that purpose.

Respectfully submitted,

T. Samuel Shomaker, MD, JD, MSM
Dean
Barry and Virginia Weinman Endowed Chair
John A. Burns School of Medicine
University of Hawai‘i at Mānoa

PART II. SUMMARY

HMEC Recommendations to 2026 Legislature

RECOMMENDATION #1

In an ongoing effort to encourage educational rotations and future careers in healthcare on the less populated and/or rural island communities throughout the state of Hawai‘i, the UH/HMEC recommends the State Legislature develop a long-term plan to address the lack of affordable housing on the neighbor islands, including health workforce housing in closer proximity to health care facilities. The legislature should continue supporting JABSOM and specific county efforts to pursue affordable housing options for health professional learners (i.e. students, residents), so that we can continue to expand training opportunities and exposure to non-O‘ahu sites. Students and residents cannot afford paying high rent on O‘ahu and additional high rent when they are doing their neighbor island rotations.

RECOMMENDATION #2

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- Continuation of funding for the Health Education Loan Repayment (HELP) program
- Legislation to decrease administrative burden
- State legislation or policies designed to help increase inflation-indexed provider payments
- Legislation supporting a higher percentage of spending on primary care
- Take active steps to implement State Medicaid GME financing and an all-payor GME financing system for Hawai‘i, which could include line-item allocations to UH, grant funding, models based on Medicare, or financing that gives weight to certain shortage specialties or medically underserved areas within the state, using models similar to Wisconsin, New Mexico, Oregon, or Tennessee.

For additional information on Medicaid GME options utilized by other states, please refer to Appendix D, which is from the National Conference of State Legislators.

PART III. APPENDICES

Appendix A: State Statutes Related to HMEC

HRS excerpts below were downloaded on December 22, 2014 from the following sites:
HRS0304A-1701 Definitions
HRS0304A-1702 Graduate Medical Education Program
HRS0304A-1703 Medical Education Council
HRS0304A-1704 Council Duties
HRS0304A-1705 Council Powers

CHAPTER 304A
UNIVERSITY OF HAWAIʻI SYSTEM

Part I. System Structure Section

Part IV. Divisions, Departments, and Programs

J. Medical Education Council
304A-1701 Definitions
304A-1702 Graduate medical education program
304A-1703 Medical education council
304A-1704 Council duties
304A-1705 Council powers

J. MEDICAL EDUCATION COUNCIL

[§304A-1701] Definitions. As used in this subpart:

- "Centers for Medicaid and Medicare Services" means the Centers for Medicaid and Medicare Services within the United States Department of Health and Human Services.
- "Council" means the medical education council created under section [304A-1703].
- "Graduate medical education" means the period of clinical training of a physician following receipt of the medical doctor degree and prior to the beginning of an independent practice of medicine.
- "Graduate medical education program" means a graduate medical education training program accredited by the American Council on Graduate Medical Education.
- "Healthcare training program" means a healthcare training program that is accredited by a nationally-recognized accrediting body. [L 2006, c 75, pt of §2]

[§304A-1702] Graduate Medical Education Program.

a) There is created a graduate medical education program to be administered by the medical education council in cooperation with the department of health.
b) The program shall be funded with moneys received for graduate medical education and deposited into the Hawaiʻi medical education special fund established under section [304A-2164].
c) All funding for the graduate medical education program shall be non-lapsing.
d) Program moneys shall only be expended if:
    1) Approved by the medical education council; and
    2) Used for graduate medical education in accordance with sections [304A-1704] and [304A-1705]. [L 2006, c 75, pt of §2]

[§304A-1703] Medical Education Council.

A. There is established within the University of Hawaiʻi, the medical education council consisting of the following thirteen members:
    1) The dean of the school of medicine at the University of Hawaiʻi;
    2) The dean of the school of nursing and dental hygiene at the University of Hawaiʻi;

3) The vice dean for academic affairs at the school of medicine who represents graduate medical education at the University of Hawai‘i;
4) The director of health or the director’s designated representative;
5) The director of the Cancer Research Center of Hawai‘i; and
6) Eight persons to be appointed by the governor as follows:
    a. Three persons each of whom shall represent a different hospital at which accredited graduate medical education programs are conducted;
    b. Three persons each [of] whom represent the health professions community;
    c. One person who represents the federal healthcare sector; and
    d. One person from the general public.

B. Except as provided in subsection (a) (1), (2), (3), and (4), no two council members may be employed by or affiliated with the same:
1) Institution of higher education;
2) State agency outside of higher education; or
3) Private entity.

C. Terms of office of council members shall be as follows:
1) Except as provided in paragraph (2), the dean of the school of medicine, dean of the school of nursing and dental hygiene, vice dean for academic affairs of the school of medicine at the University of Hawai‘i, and the director of health, or the director’s designated representative, shall be permanent ex officio members of the Council, and the remaining nonpermanent council members shall be appointed to four-year terms of office;
2) Notwithstanding paragraph (1), the governor at the time of the initial appointment shall reduce the terms of four nonpermanent council members to two years to ensure that approximately half of the nonpermanent council members are appointed every two years; and
3) If a vacancy occurs in the membership for any reason, the replacement shall be appointed by the governor for the unexpired term in the same manner as the original appointment was made.

D. The dean of the school of medicine at the University of Hawai‘i shall chair the Council. The Council shall annually elect a vice chair from among the members of the Council.

E. All council members shall have voting rights. A majority of the council members shall constitute a quorum. The action of a majority of a quorum shall be the action of the Council.

F. Per diem and expenses incurred in the performance of official duties may be paid to a council member who:
    a. Is not a government employee; or
    b. Is a government employee, but does not receive salary, per diem, or expenses from the council member’s employing unit for service to the Council.

A council member may decline to receive per diem and expenses for service to the Council. [L 2006, c 75, pt of §2]

[§304A-1704] Council Duties. The medical education council shall:
1) Conduct a comprehensive analysis of the healthcare workforce requirements of the state for the present and the future, focusing in particular on the state’s need for physicians;
2) Conduct a comprehensive assessment of the state’s healthcare training programs, focusing in particular on graduate medical education programs and their role in and ability to meet the healthcare workforce requirements identified by the Council;
3) Recommend to the legislature and the board of regents changes in or additions to the healthcare training programs in the state identified by the Council’s assessment;
4) Work with other entities and state agencies as necessary, develop a plan to ensure the adequate funding of healthcare training programs in the state, with an emphasis on graduate medical education programs, and after consultation with the legislature and the board of regents, implement the plan. The plan shall specify the funding sources for healthcare training programs and establish the methodology for funding disbursement. Funds shall be expended for the types of costs normally associated with healthcare training programs, including but not limited to physician salaries and other operating and administrative costs. The plan may include the submission of an application in accordance

with federal law for a demonstration project to the Centers for Medicaid and Medicare Services, for the purpose of receiving and disbursing federal funds for direct and indirect graduate medical education expenses;

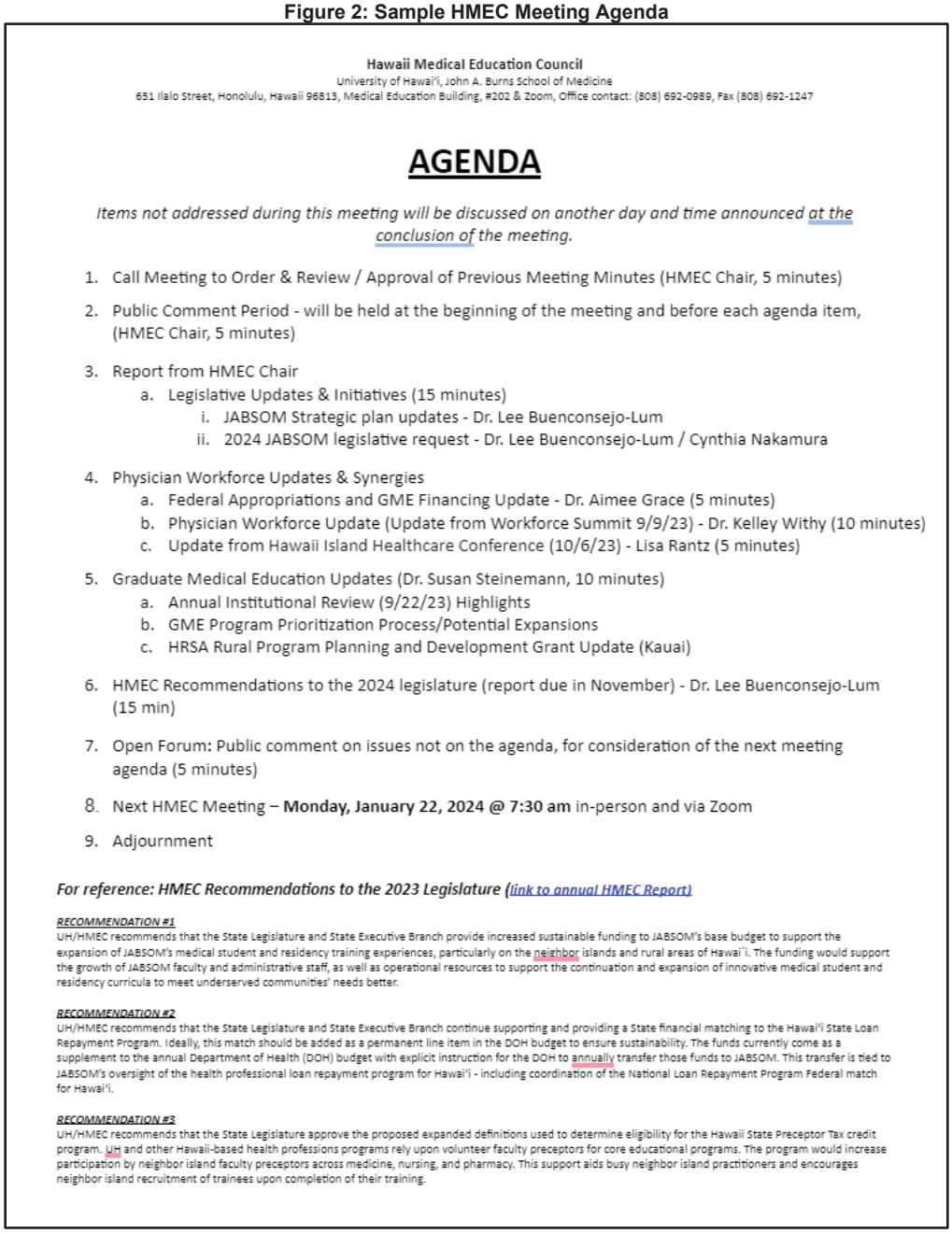
5) Seek funding from public sources, including state and federal government, and private sources to support the plan required in paragraph (4);
6) Monitor the implementation and effectiveness of the plan required in paragraph (4), making such modifications as may be required by future developments and changing needs and after consulting with the legislature and the board of regents, as appropriate; and
7) Submit a summary report to the legislature no later than twenty days before the convening of each regular session, of the expenditures of program moneys authorized by the Council under this subpart. [L 2006, c 75, pt of §2]

[§304A-1705] Council Powers. The medical education council may:

1) Conduct surveys, with the assistance of the department of health and the department of commerce and consumer affairs, to assess and meet changing market and education needs;
2) Appoint advisory committees of broad representation on interdisciplinary clinical education, workforce mix planning and projections, funding mechanisms, and other topics as is necessary;
3) Use federal moneys for necessary administrative expenses to carry out its duties and powers as permitted by federal law;
4) Distribute program moneys in accordance with this subpart; provided that any expenditures authorized shall be for a public purpose and shall not be subject to chapters 42F, 103, 103D, and 103F;
5) Hire employees not subject to chapters 76 and 89 necessary to carry out its duties under this subpart; and
6) Adopt rules in accordance with chapter 91, necessary to carry out the purposes of this subpart. [L 2006, c 75, pt of §2]

Appendix B: Sample HMEC Meeting Agenda

Figure 2: Sample HMEC Meeting Agenda



Hawaii Medical Education Council
University of Hawai'i, John A. Burns School of Medicine
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AGENDA

Items not addressed during this meeting will be discussed on another day and time announced at the conclusion of the meeting.

1. Call Meeting to Order & Review / Approval of Previous Meeting Minutes (HMEC Chair, 5 minutes)
2. Public Comment Period - will be held at the beginning of the meeting and before each agenda item, (HMEC Chair, 5 minutes)
3. Report from HMEC Chair
    a. Legislative Updates & Initiatives (15 minutes)
        i. JABSOM Strategic plan updates - Dr. Lee Buenconsejo-Lum
        ii. 2024 JABSOM legislative request - Dr. Lee Buenconsejo-Lum / Cynthia Nakamura
4. Physician Workforce Updates & Synergies
    a. Federal Appropriations and GME Financing Update - Dr. Aimee Grace (5 minutes)
    b. Physician Workforce Update (Update from Workforce Summit 9/9/23) - Dr. Kelley Withy (10 minutes)
    c. Update from Hawaii Island Healthcare Conference (10/6/23) - Lisa Rantz (5 minutes)
5. Graduate Medical Education Updates (Dr. Susan Steinemann, 10 minutes)
    a. Annual Institutional Review (9/22/23) Highlights
    b. GME Program Prioritization Process/Potential Expansions
    c. HRSA Rural Program Planning and Development Grant Update (Kauai)
6. HMEC Recommendations to the 2024 legislature (report due in November) - Dr. Lee Buenconsejo-Lum (15 min)
7. Open Forum: Public comment on issues not on the agenda, for consideration of the next meeting agenda (5 minutes)
8. Next HMEC Meeting – **Monday, January 22, 2024 @ 7:30 am** in-person and via Zoom
9. Adjournment

For reference: HMEC Recommendations to the 2023 Legislature (link to annual HMEC Report)

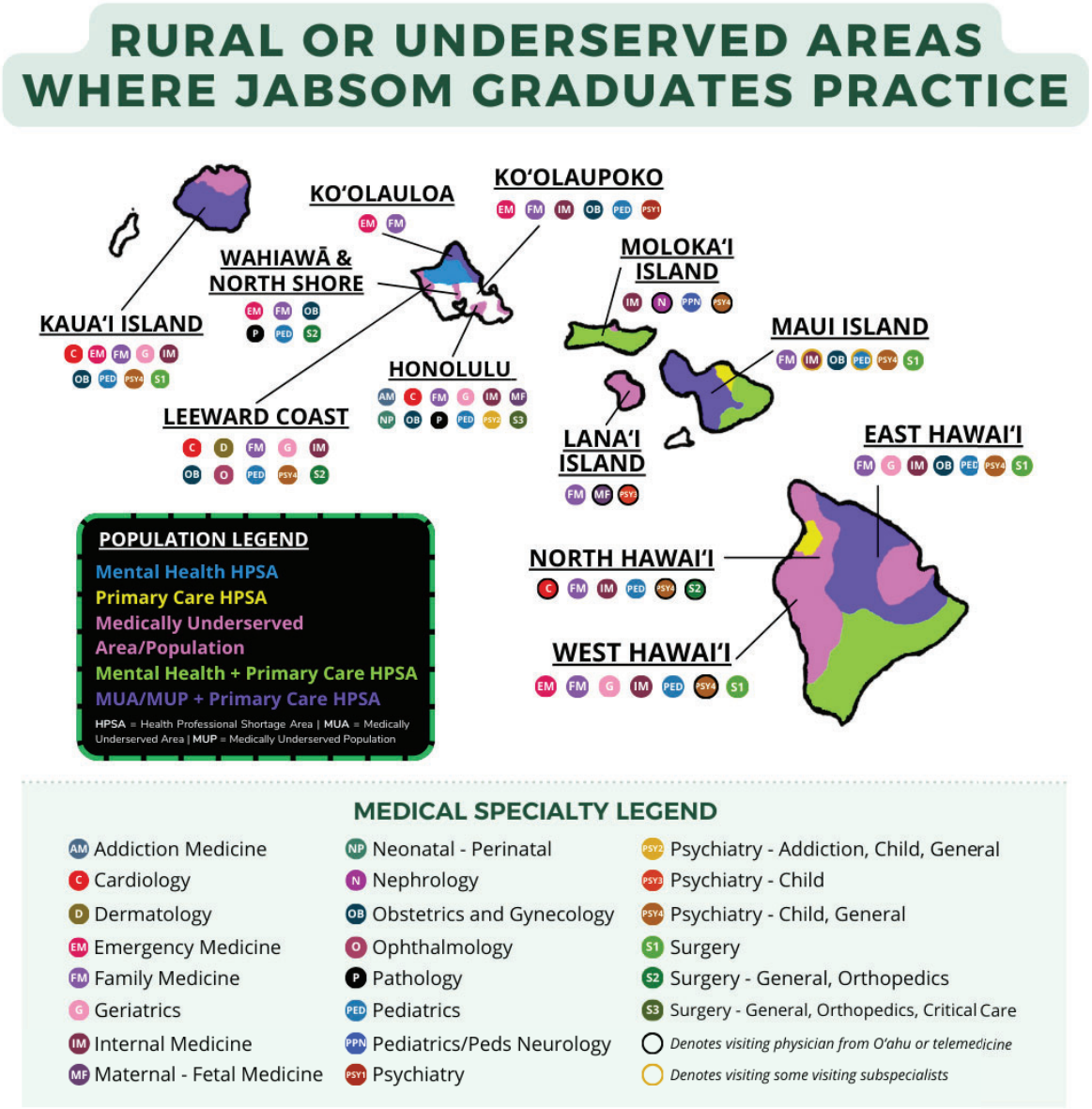
RECOMMENDATION #1
UH/HMEC recommends that the State Legislature and State Executive Branch provide increased sustainable funding to JABSOM's base budget to support the expansion of JABSOM's medical student and residency training experiences, particularly on the neighbor islands and rural areas of Hawai`i. The funding would support the growth of JABSOM faculty and administrative staff, as well as operational resources to support the continuation and expansion of innovative medical student and residency curricula to meet underserved communities' needs better.

RECOMMENDATION #2
UH/HMEC recommends that the State Legislature and State Executive Branch continue supporting and providing a State financial matching to the Hawai'i State Loan Repayment Program. Ideally, this match should be added as a permanent line item in the DOH budget to ensure sustainability. The funds currently come as a supplement to the annual Department of Health (DOH) budget with explicit instruction for the DOH to annually transfer those funds to JABSOM. This transfer is tied to JABSOM's oversight of the health professional loan repayment program for Hawai'i - including coordination of the National Loan Repayment Program Federal match for Hawai'i.

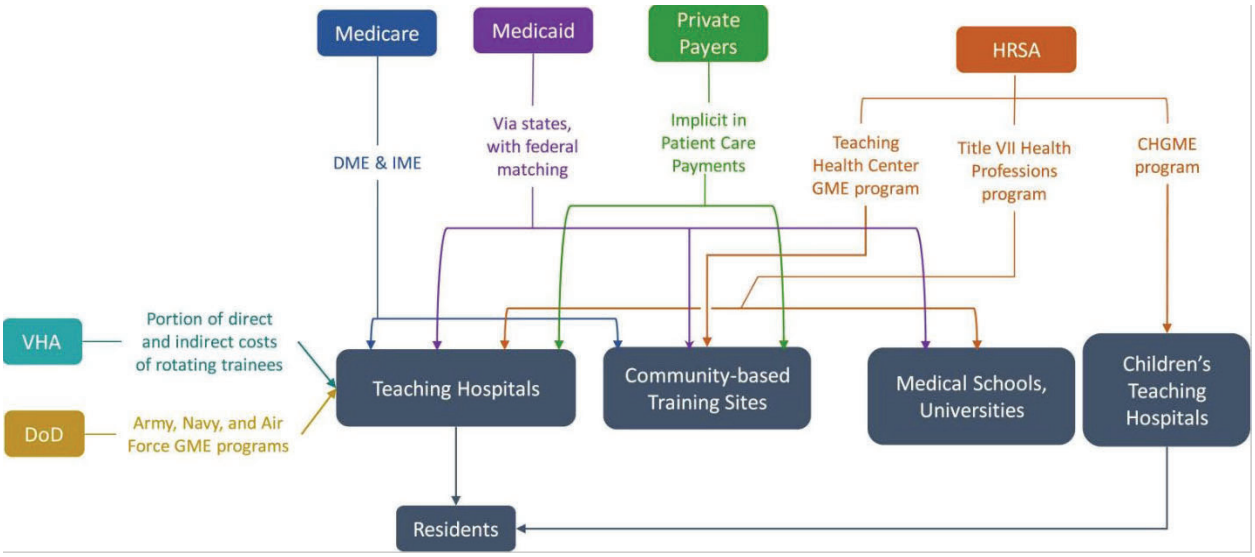
RECOMMENDATION #3
UH/HMEC recommends that the State Legislature approve the proposed expanded definitions used to determine eligibility for the Hawaii State Preceptor Tax credit program. UH and other Hawaii-based health professions programs rely upon volunteer faculty preceptors for core educational programs. The program would increase participation by neighbor island faculty preceptors across medicine, nursing, and pharmacy. This support aids busy neighbor island practitioners and encourages neighbor island recruitment of trainees upon completion of their training.

Appendix C: Rural or Underserved areas where JABSOM graduates practice

Figure 3: Appendix C: where JABSOM medical school or GME program graduates practice as of November 2023. Color legend provided to help identify the various specialties by location.



Appendix D: Additional funding streams for GME presented by the National Conference of State Legislators.



Source: Graduate medical education funding mechanisms, challenges, and solutions: A narrative review, Am. J. Surg. (2021).

Appendix E: Hawaii HELP Update through December 2025

State: Total $60M ***FY 24 $10M; FY 25 $20M FY 26 $15M, FY 27 $15M***	**Phase 1 2023-2025**	**Phase 2 2024-2026**	**Phase 3 2025-2027**	**Phase 4 2026-2028** ***(includes anticipated #s based on current approved / waitlisted apps)***
Funds Allocated for Loan Repayments (i.e., EXCLUDES costs to administer program and IDC)	$10M [9M + 1M (Benioff)]	$21.7M [18M + 3.7M (Benioff)]	$13.5M	$13.5M
Funds Disbursed or Scheduled to be disbursed	$35.1M [31.3M + 3.8M (Benioff)]	$6.5M [5.6M + 0.9M (Benioff)]	$9.1M	$7.5M
Total # Apps Received, by phase	810	1,590	2,035	1,885 (Leftover, Not accepting new apps)
# of Physician Apps / (%)	230 (28.4%)	164 (8.9%)	462 (24.5%)	370 (19.6%)
Total Apps Funded (2 years of payment)	623 (96 Benioff)	146 (18 Benioff)	159	TBD
# of Physician Apps Funded (%)	209 (33.5%)	24 (16.4%)	92 (60.9%)	TBD
Total Loans Paid Off (all providers)	$9.1M (N=258)	$2.1M (N=67)	$3.3M (N=86)	TBD

Total on waitlist as of 12/25 1,885. Overall summary by funding phases:

PRIORITY FUNDING AND DEFINITIONS

Primary care specialties/providers - all islands

MD, DO, APRN, PAs in Family Medicine, Internal Medicine, Pediatrics, OB-Gyn, Geriatrics, Adolescent Medicine, General Practice

Behavioral health providers - all islands

Psychology, social worker, psychiatrist, psychiatric nurse practitioner, marriage and family therapist, behavioral analyst, certified substance abuse counselor, mental health counselors

Rural providers (any eligible specialty) per HRS §1B-1 definition:

Hawai‘i Island, Maui Island, Kaho‘olawe Island, Lana‘i Island, Moloka‘i Island, Kaua‘i Island, Niihau Island, and, on O‘ahu: Wai‘anae, Wahiawā, Waimānalo, Hau‘ula, Lā‘ie, Kahuku, Hale‘iwā, Waialua

HELP Awards Breakdown by major discipline and county/rural

# Applicants Awarded 928	Totals *(%)*	Oahu, Not rural	Oahu, RURAL	Hawaii *(incl. Benioff)*	Maui	Kauai	Molokai	Lanai	Other *(returning to Hawaii)*
Physicians	**325 (35%)**	205	7	50	33	12	2	0	16
APRN/PA	**160 (17%)**	80	7	43	25	4	0	0	1
Nurses	**104 (11%)**	40	3	31	18	10	2	0	0
Others	**339 (37%)**	166	21	88	52	11	1	0	1
TOTAL BY ISLAND (% of total)	**928**	**491 (52%)**	**38 (4%)**	**212 (23%)**	**128 (14%)**	**37 (4%)**	**5 (1%)**	**0**	**18 (2%)**
Waitlisted *(preliminarily approved)*	**1,885**	1,286 (68%)	66 (4%)	239 (13%)	199 (11%)	84 (4%)	7 (0.4%)	2 (0.1%)	2 (0.1%)

HELP Awards Breakdown by priority categories and county/Rural

# Applicants Awarded 928	Totals *(%)*	Oahu, Not rural	Oahu, RURAL	Hawaii *(incl. Benioff)*	Maui	Kauai	Molokai	Lanai	Other *(returning to Hawaii)*
Primary Care (incl. APRN/PA)	**359 (39% of awarded)**	**213 (59%)**	**14 (4%)**	**70 (19%)**	**33 (9%)**	**12 (3%)**	**2 (1%)**	**0**	**15 (4%)**
Behavioral Health	**254 (27% of awarded)**	**128 (52%)**	**18 (7%)**	**64 (23%)**	**34 (14%)**	**8 (3%)**	**1 (0.4%)**	**0**	**1 (0.4%)**
Rural Specialists	**99 (11% of awarded)**	**53 (54%)**	**1 (1%)**	**21 (21%)**	**21 (21%)**	**3 (3%)**	**0**	**0**	**0**
Others	**217 (23% of awarded)**	**97 (45%)**	**5 (2%)**	**57 (26%)**	**40 (19%)**	**14 (6%)**	**2 (1%)**	**0**	**2 (1%)**
TOTAL BY ISLAND	**928**	**491 (52%)**	**38 (4%)**	**212 (23%)**	**128 (14%)**	**37 (4%)**	**5 (1%)**	**0**	**18 (2%)**

Graduate Medical Education

GME "bring them / keep them home"	Resident	Fellow
Total # of Applications	120	30
# of Awards	111	26
Waitlisted	0	0
From Hawaii-based GME program	94 (85%)	23 (88%)
From Out-of-State GME program	17 (15%)	3 (12%)
Average Debt	$166,000	$170,000

HOW MUCH MORE IS NEEDED?

- 1,885 Waitlisted Individuals
  - $78M needed for a two-year contract with the amounts caps per HELP rules (i.e., up to $50k per year x 2 years for highest priority (primary care, any location; behavioral health, any location; rural, any discipline or up to $25K per year x 2 years for all others)
  - $173M to pay off their balances completely

Average Indebtedness of Certain Disciplines

Discipline	Those awarded (N)	Those on waitlist (N)
Physicians	$179,400 (325)	$198,800 (230)
APRNs	$93,500 (104)	$102,800 (131)
PAs	$138,400 (56)	$129,000 (65)
Psychologists	$170,600 (52)	$166,500 (39)
Nurses	$41,300 (104)	$43,300 (569)
Others	$94,600	$92,400