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**The State Legislature
House Committee on Finance
Friday, February 27, 2026
Conference Room 308, 10:00 a.m.**

TO: The Honorable Chris Todd, Chair
FROM: Keali'i S. López, State Director
RE: Support for H.B. 1965, HD1 Relating to Primary Care

Aloha Chair Todd, and Members of the Committee:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 135,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP Hawai'i is in support of House Bill 1965 HD1 Relating to Primary Care. Hawai'i's older adults rely heavily on a robust and accessible primary care system. Primary care is essential for managing chronic conditions, preventing avoidable hospitalizations and improving health outcomes. Yet Hawai'i faces a severe shortage of primary care providers, driven by rising operating costs, stagnant reimbursement, and administrative burdens that are pushing providers out of practice.

HB 1965, HD1 works toward strengthening the primary care workforce by establishing the Primary Care Providers working group to address issues to stabilize the primary care services in the state.

Their work and recommendations will help benefit patients statewide, particularly kūpuna, who depend on reliable primary care to maintain independence and quality of life. For these reasons, AARP Hawai'i supports HB 1965, HD1 and urges the committees to pass this important measure.

Thank you for the opportunity to testify in support.



**Testimony to the House Committee on Finance
Friday, February 27, 2026; 10:00 a.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 1965, HOUSE DRAFT 1, RELATING TO PRIMARY CARE.

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS THE INTENT** of House Bill No. 1965, House Draft 1, RELATING TO PRIMARY CARE.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The bill, as received by your Committee, would establish a primary care provider working group to address issues relating to, and develop recommendations for, the stabilization of primary care health services in Hawaii, including:

- (1) Reimbursements to primary care providers;
- (2) Health insurance practices relating to downcoding and claim modifications;
- (3) Health carrier reporting requirements; and
- (4) Rural access to primary care health services.

The bill would take effect on July 1, 3000.

Testimony on House Bill No. 1965, House Draft 1
Friday February 27, 2026; 10:00 a.m.
Page 2

The HPCA wholeheartedly agrees that more resources must be dedicated for primary care. Yet, we recognize the enormous challenges lawmakers face in establishing a statutory regime that takes into account the complexity and unique nature of Hawaii's health care system. As such, the HPCA greatly appreciates the opportunity to participate in the discussion and wishes to assist in pursuing the goal proposed in this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.

February 27, 2026

To: Chair Todd, Vice Chair Takenouchi, and Members of the House Committee on Finance.

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: Feb. 27, 2026; 10:00 a.m./Conference Room 308 & Videoconference

Re: Comments on HB 1965 HD1 – Relating to Primary Care.

The Hawaii Association of Health Plans (HAHP) offers comments on HB 1965 HD1. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

We appreciate the Legislature's commitment to strengthening and protecting primary care in Hawaii through the establishment of a Primary Care Provider Working Group within the State Health Planning and Development Agency.

Hawaii's primary care challenges are complex and require collective solutions. We value the opportunity this working group creates to bring all parties to the table to develop balanced, data-informed recommendations that strengthen primary care, improve patient access, and support a sustainable healthcare system for everyone. Improved access to primary care is fundamental to better health outcomes and lower systemwide costs.

Thank you for the opportunity to offer comments on HB 1965 HD1 and to contribute to this collaborative effort to advance primary care in Hawaii.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members

February 27, 2026

Rep. Chris Todd, Chair
Rep. Jenna Takenouchi, Vice Chair
House Committee on Finance
Hawai`i State House of Representatives
Honolulu, Hawai`i 96813

RE: HB1965, HD1 RELATING TO PRIMARY CARE

Hearing Date: Friday, February 27, 2026, 10:00 AM, Conference Room 308

Dear Chair Todd, Vice Chair Takenouchi and Members of the Committees:

My name is Gregg Oishi, President/CEO of Kuakini Health System (KHS). Founded over 125 years ago, KHS is Hawai`i's only independent hospital system supporting physician independence and plays a vital role in preserving physician autonomy and patient choice outside of the state's major health systems. KHS includes a 212-bed acute care hospital; a 221-bed skilled nursing ("SNF"), intermediate care and home/residential care facility; and two medical office buildings.

Kuakini Health System **SUPPORTS** HB1965, HD1, which establishes the Primary Care Providers Working Group within the State Health Planning and Development Agency to address issues relating to, and develop recommendations for the stabilization of primary care services in Hawai`i. A strong primary care system is the foundation of affordable, high-quality healthcare, and HB1965, HD1 takes an initial step to address the ongoing challenges facing primary care providers and the patients they serve throughout our state.

According to the 2024 University of Hawaii Annual Report on Findings from the Hawai`i Physician Workforce Assessment Project, Hawai`i faces a significant physician shortage that affects access to care across the state. While over 12,000 physicians are licensed in Hawai`i, only about 3,672 actively provide patient care, and not all of these work full-time, resulting in roughly 3,075 full-time equivalent (FTE) physicians. When island geography is considered (i.e., eliminating specialty overage), the estimated unmet need for physicians is 768 FTEs. **The greatest shortage category is primary care where Hawai`i needs 152 additional Full Time Equivalents (FTEs).**

The establishment of Primary Care Providers Working Group is a necessary first step in addressing Hawai'i's primary care shortage. In review of HB1965, HD1, KHS recommends the following amendment:

- **Include representation from the independent physician community as part of the Working Group.** According to the University of Hawai'i, in 2024, approximately 31% of Hawai'i physicians are independent physicians. In 2024, the American Medical Association reported that 42.2 percent of physicians were in private practice, that is, a practice that was wholly-owned by physicians. Independent physicians and hospitals are an integral component in expanding the number of primary care providers in Hawai'i, particularly in rural areas. Our voices and input can be an important aspect of the Working Group's deliberations.

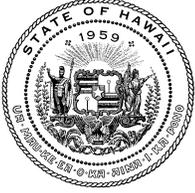
HB1965, HD1 represents a thoughtful and necessary response to the challenges facing primary care in Hawaii. The first step in creating a working group will ensure that the State, the medical community and key stakeholders are aligned in addressing this important public health issue.

I respectfully urge the Committees to pass HB1965, HD1. Thank you for the opportunity to testify on this matter.

Sincerely,

/s/ Gregg Oishi

GREGG OISHI
President & CEO



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, MD
GOVERNOR OF HAWAII
KE KIA'AINA O KA MOKU'AINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

JOHN C. (JACK) LEWIN, MD
ADMINISTRATOR

February 25, 2026

TO: HOUSE COMMITTEE ON FINANCE
Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair
Honorable Members

FROM: John C. (Jack) Lewin, MD, Administrator, SHPDA, and Sr. Advisor to
Governor Josh Green, MD on Healthcare Innovation

RE: HB1965-HD1 -- RELATING TO PRIMARY CARE

HEARING: Friday, February 27, 2026 @ 10:00 am; Conference Room 308

POSITION: SUPPORT with COMMENTS

Testimony:

SHPDA strongly supports the intent of this bill. Its original version, while worthy in considering many factors needed in protecting primary care and independent medical practice, was in our view far too complicated and ambitious. It required a daunting array of additional regulatory authorities for DCCA in addition to its primary purpose of increasing funding for primary care. The House Health Committee's recommendation simplifying the bill to a working group is understandable, given the complexity of the challenge and the original bill.

SHPDA did not author this bill. It was the brainchild of hundreds of independent physicians, advanced practice nurses, health centers, patients, and others wanting to address the crisis in primary care access and financial instability, and loss of practices statewide. That noble purpose was opposed by most insurers. But it is of critical importance. We appreciate the sadness and frustration of those caregivers that it did not move on. It has, in the view of the authors, sadly become a "working group."

We will agree to overseeing such a working group. We request \$100,000 of funding to support a part-time staff person and some modest data acquisition needs to better estimate current primary care spending.

In terms of our additional comments on HB1965-HD1, SHPDA strongly supported the language in SB2690 and HB1965-HD1, which aimed to incrementally increase primary care spending as a percent of total health care spending. Total healthcare spending, when administrative costs are factored out, is

commonly referred to as the “medical loss ratio” or “MLR.” The MLR is typically regulated by the states or the federal government to be no less than 85% of premium, with administrative costs typically to be no more than 15% of premium.

SB2690 original language aspired to increase primary spending initially over the next year to a minimum 6% of MLR (actual healthcare services spending, not including administrative costs) and incrementally to at least 12% over the next several years. Considering disagreement among insurers and providers about how much is currently being spent and about what spending specifically constitutes primary care, the working group could attempt to find consensus on current spending and a plan to revitalize primary care services and practices

California has required that primary care spending be no less than 15% of MLR. California is among a growing number of states who recognize that we must significantly increase primary care spending to achieve health care economic viability and improve population health. This is also recognized by virtually all other developed nations. Of the 38 high-income, market-based nations of Organization of Economic Co-operation and Development (OECD), all but the United States have realized this and have implemented primary care spending goals of 12% or more. Other OECD nations ALL have achieved greater longevity of their citizens than the U.S., and ALL have consistently better health outcomes. The U.S. spends over 17% of our GDP on health care, while the other OECD nations spend on average 7.4%. We have no idea why are there no sirens going off to remedy this. SHPDA will be happy to share sources of these frustrating statistics.

The ambitious federal AHEAD grant, awarded to only 6 states by the Centers for Medicare and Medicaid Services Innovation Center (CMS/CMMI) in 2024, mandates increased primary spending to achieve its goals as part of achieving statewide health system reform. CMS clearly believes the awardee states are not spending this much now. The grant aims to lower health care cost inflation and improve population health, including Hawai'i. SHPDA and Med-QUEST authored Hawaii's successful proposal and are managing its implementation.

We further believe that current accounting of primary care spending by insurers is not accurate, as reflected in the glaring and increasing lack of access to primary care by beneficiaries across the state, and by the fact that fewer and fewer graduating medical and advanced practice nursing students choose primary care career paths. They, like most of the rest of us, recognize that primary care careers are not financially viable and that the workload is untenable. Further, new data suggests the state spending on emergency department (ED) visits and costs in increasing above national averages, reflecting the growing crisis in access to primary care.

I am certain that after the working group discussion over the coming year, a broad spectrum of providers and health systems will be back to propose implementing

HB 1965-HD1: testimony of SHPDA (2026), continued.

the original primary purpose of the bill. It is greatly needed to decrease unnecessary health spending and to improve population health in the future.

Thank you for hearing HB1965-HD1; and for the opportunity to testify.

■ -- Jack Lewin, MD, Administrator, SHPDA

HB-1965-HD-1

Submitted on: 2/25/2026 2:42:58 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rick Tabor	PABEA (Policy Advisory Board for Elderly Affairs)	Support	Written Testimony Only

Comments:

Thank you for the committee hearing on HB1965; SHPDA; Primary Care Providers Working Group; Primary Care Services; Stabilization.

Today I testify on behalf if PABEA (Policy Advisory Board gor Elderly Affairs) as their Legislative Committee Chairman.

For the record, I'm a retired mental health clinician, past in-home care operation manager, and veteran field medical Navy hospital corpsman.

I'm in strong support of HB1965; SHPDA; Primary Care Providers Working Group; Primary Care Services; Stabilization. The work group will

establish a Primary Care Providers Working Group within the State Health Planning and Development Agency to address issues relating to, and develop recommendations for the stabilization of, primary care services in Hawai'i. Accountability; requires the working group/taskforce to make a report to the Legislature.

As I understand this work group's mission; is to develop strategies for the stabilization of primary care services. Setting minimum percentage expenditures on primary care by health carriers, addressing "downcoding" (inappropriate reduction of claims), strengthening rural health access, and evaluating a potential "Primary Care Stabilization Special Fund". The key is to focus on Hawaii's provider shortage. Let's ensure Hawaii increases it's investment in primary care.

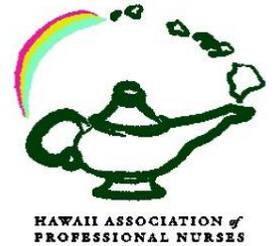
As our Kūpuna population rapidly increases to a record hogh, we'll need to establish a functional system where seniors and others can access a seamless client-centered caring experience as their capacity to care for themselves declines. The Primary Care Providers Working Group hopes to help establish a functional system where seniors and others can benefit from a seamless client-centered age-in-place experience.

The Primary Care Providers Working Group also plans to establish a joint Long-Term Care Financing Advisory Commission who can look at the feasibility of different financing options for long term care services and supports.

Thank you for your support.

-Rick Tabor

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Chris Todd, Chair, and Members of the House Committee on Finance (FIN)

From: Hawai'i Association of Professional Nurses (HAPN)

RE: HB1965 HD1 — Relating to Primary Care

Position: Strong Support

Hearing: Friday, 02-27-26 at 10:00 a.m.

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

On behalf of the Hawai'i Association of Professional Nurses (HAPN), we submit this testimony in strong support of HB1965 HD1. This measure advances a core principle that nurses and APRNs see every day in real time: when primary care is adequately supported and protected, patients get care earlier, chronic conditions are managed more effectively, preventable complications decrease, and the entire health system functions better. For the House Committee on Finance, HB1965 HD1 also represents a practical strategy for cost avoidance and health system stabilization, because underinvestment in primary care drives higher downstream spending in emergency, hospital, and crisis care settings.

HAPN supports HB1965 HD1 because it takes direct aim at structural barriers that have weakened primary care in Hawai'i, especially payment practices that create instability, add administrative friction, and undermine access in rural and neighbor island communities. By establishing clear expectations for health carriers related to investment in primary care, requiring transparent payment practices that support front-line primary care delivery, and curbing harmful claim practices such as downcoding and inappropriate claim modifications, HB1965 HD1 helps ensure that primary care practices can remain viable and focused on patient care. From a finance perspective, this kind of stability matters because fragile clinics lead to delayed care, reduced access capacity, and more expensive utilization later in the care continuum.

From HAPN's perspective, the benefits are practical and immediate:

Stabilizing primary care is a fiscally responsible strategy for Hawai'i.

When primary care is underfunded or disrupted by payment instability, patients often delay treatment until conditions worsen and require higher-cost services. Strengthening primary care is one of the most effective ways to reduce avoidable utilization while improving outcomes, especially for patients with chronic illness and complex needs. This is not only a provider issue; it is a system financing issue with direct implications for cost containment and public program efficiency.

Stabilizing primary care strengthens the workforce Hawai'i already relies on.

Primary care in Hawai'i is delivered by a team that includes physicians, APRNs, RNs, and other clinicians. When payment is predictable and fair—and when administrative “games” like downcoding are limited—clinics can recruit and retain providers, keep panels open, and invest in staffing models that reduce burnout. Workforce stability is a finance issue because turnover,

vacancies, and clinic contraction increase access gaps and shift costs into more expensive settings.

Better primary care access improves equity—especially for rural and neighbor island communities.

HB1965 HD1's focus on ensuring access to primary care in rural areas aligns with what communities have been saying for years: the "access problem" is not theoretical; it is lived experience. When local primary care capacity erodes, patients face longer waits, travel burdens, and worsening health conditions before they can receive treatment. Preserving community-based primary care capacity is a more cost-effective and humane approach than paying for preventable complications after access has already failed.

Applying these standards to Med-QUEST managed care matters.

Medicaid patients deserve the same seriousness of commitment to primary care access and stability as anyone else. Including Med-QUEST, to the extent permitted by federal law and approvals, helps ensure that reforms reach communities with the greatest need and highest barriers to access. It also helps protect public dollars by supporting earlier intervention and reducing avoidable escalation in care needs.

Strong implementation and accountability will support long-term success.

As HB1965 HD1 advances through the Finance Committee, HAPN supports implementation that includes clear expectations and measurable outcomes. Tracking indicators such as payment timeliness, claims integrity, clinic capacity, and access in underserved communities will help the State evaluate whether the policy is delivering its intended fiscal and health system benefits. This approach supports reform while maintaining the accountability that this committee appropriately expects in system-level legislation.

Conclusion

HB1965 HD1 is a meaningful, systems-level step toward protecting primary care capacity in Hawai'i and reducing avoidable downstream costs across the health system. HAPN respectfully urges the Committee to PASS HB1965 HD1. This measure supports access, workforce stability, and responsible health system financing at a time when Hawai'i needs all three.

Mahalo for the opportunity to provide testimony.

Respectfully submitted,
Hawai'i Association of Professional Nurses (HAPN)



Hawaii Medical Association

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

HOUSE COMMITTEE ON FINANCE

Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair

Date: February 27, 2026
From: Hawaii Medical Association (HMA)
Elizabeth Ann Ignacio MD - Chair, HMA Public Policy Committee
Christina Marzo MD and Robert Carlisle MD, Vice Chairs, HMA Public Policy Committee

RE HB 1965HD1 RELATING TO PRIMARY CARE: SHPDA; Primary Care Providers Working Group; Primary Care Services; Stabilization; Report (\$)

Position: Support

This measure would establish the Primary Care Providers Working Group within the State Health Planning and Development Agency to address issues relating to, and develop recommendations for the stabilization of, primary care services in Hawai'i, require the Working Group to make a report to the Legislature, and sunset the Working Group on 6/30/2027, effective 7/1/3000. (HD1).

HMA supports this measure to create the Primary Care Providers Working Group within the State Health Planning and Development Agency. Addressing specific challenges for Hawaii Primary Care physicians and practice will strengthen access to timely, comprehensive primary care across our islands. Hawaii continues to face persistent physician workforce shortages, particularly in rural and neighbor island communities, and patients increasingly rely on fragmented, episodic care when stable medical homes are unavailable. Strengthening community-based primary care, grounded in long-term patient relationships and team-based collaboration, remains essential to improving health outcomes for Hawaii's keiki, kūpuna, and families.

HMA supports this measure as a meaningful step toward improving access while preserving the quality, safety, and continuity that define high-value medical care in Hawaii.

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

2026 Hawaii Medical Association Public Policy Coordination Team

Elizabeth A Ignacio, MD, Chair • Robert Carlisle, MD, Vice Chair • Christina Marzo, MD, Vice Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

2026 Hawaii Medical Association Officers

Nadine Tenn-Salle, MD, President • Jerald Garcia, MD, President Elect • Elizabeth Ann Ignacio, MD, • Immediate Past President
Laeton Pang, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

REFERENCES AND QUICK LINKS

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2024 Hawaii Medical Association Officers

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Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2024 Hawaii Medical Association Public Policy Coordination Team

Beth England, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

HB-1965-HD-1

Submitted on: 2/25/2026 5:27:53 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Ching	American Academy of Pediatrics, Hawaii Chapter	Support	Written Testimony Only

Comments:

RE: HB 1965, HD 1 – RELATING TO PRIMARY CARE

To Rep. Chris Todd, Chair, Rep. Jenna Takenouchi, Vice Chair, and Members of the House Committee on Finance:

The American Academy of Pediatrics, Hawaii Chapter (HAAP), representing over 200 pediatricians across our islands, strongly supports HB 1965, HD 1, and the establishment of a Primary Care Provider Working Group to address the stabilization of primary care services in Hawaii.

Hawaii is currently facing a critical shortage of pediatricians and primary care providers. As noted in recent workforce assessments, the state is short hundreds of providers needed to ensure all residents—especially our keiki—have timely access to essential health services. While the costs of operating a pediatric practice in Hawaii continue to climb due to rising rent, staffing, and overhead, reimbursement rates have largely remained stagnant.

HAAP supports the transition of this measure to a Working Group for the following reasons:

- **Collaborative Problem Solving:** The healthcare landscape is complex. Bringing together stakeholders through the State Health Planning and Development Agency (SHPDA) ensures that solutions regarding expenditure targets and administrative reforms are evidence-based and practical.
- **Addressing Administrative Burdens:** We are encouraged that the working group is tasked with addressing issues that directly impact provider retention, such as downcoding, abusive utilization reviews, and the need for prompt reimbursement.
- **Stabilization for Independent Practices:** Independent pediatric practices are the frontline of community health. Recommendations developed by this group will be vital in creating a sustainable financial environment that allows these practices to remain open and serve Hawaii's families.
- **Focus on Equity and Access:** By developing formal recommendations for primary care stabilization, Hawaii can better support rural and underserved communities that are currently disproportionately affected by the physician shortage.

We believe that this working group is a necessary step toward implementing the robust primary care protections originally envisioned in this measure. HAAP stands ready to assist this group

with pediatric-specific data and clinical perspectives to ensure the health of our children remains a top priority.

For these reasons, the American Academy of Pediatrics, Hawaii Chapter, respectfully requests that your committee pass HB 1965, HD 1.

Thank you for the opportunity to provide testimony in support of this measure.

Sincerely,

The American Academy of Pediatrics, Hawaii Chapter



February 27, 2026

The Honorable Chris Todd, Chair
The Honorable Jenna Takenouchi, Vice Chair

House Committee on Finance

Re: HB 1965 HD1 – RELATING TO PRIMARY CARE

Dear Chair Todd, Vice Chair Takenouchi, and Members of the Committees:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 1965 HD1, which establishes the Primary Care Providers Working Group within the State Health Planning and Development Agency to address issues relating to, and develop recommendations for the stabilization of, primary care services in Hawai‘i. Requires the Working Group to make a report to the Legislature. Sunsets the Working Group on 6/30/2027.

HMSA deeply values the essential role that primary care physicians play in Hawai‘i’s health care system. Primary care serves as the front line of prevention, early diagnosis, chronic disease management, and whole-person care. We agree that continued investment in primary care is vital to improving access, strengthening care coordination, and maintaining a robust provider network across the state. Our provider network is a crucial part of this system, and HMSA strives to develop compensation models that support providers while also keeping health care affordable for Hawai‘i’s small businesses and residents.

We appreciate the amendments adopted by the previous committee and believe this approach helps ensure a robust dialogue among a wide range of health care stakeholders. Collaborative working groups like these have consistently proven effective in advancing policies that are balanced, sustainable, and—most importantly—centered on maintaining and improving the health of our communities.

Thank you for the opportunity to testify in support of this measure.

Sincerely,

Walden Au
Director of Government Relations

HB-1965-HD-1

Submitted on: 2/26/2026 9:03:42 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Scott Grosskreutz, M.D.	Hawaii Healthcare Task Force	Support	In Person

Comments:

Dear Chair Todd and Committee members,

Mahalo for hearing the Protecting Primary Care Act. In Europe, primary care is funded between 12-15% of global healthcare funding. These European countries have superior healthcare outcomes and substantially lower healthcare costs. Many U.S. studies have confirmed that adequate primary care funding will lower costs, decrease mortality and morbidity and increase patient satisfaction. A growing number of U.S. states have passed laws and taken regulatory actions to increase primary care funding. California has already passed a law targeting a 15% spent on primary care.

Hawaii has among the worst physician shortages in America, and our extreme geographic isolation makes it very difficult for our Neighbor Island patients to access care. Increasing our funding support for primary care is a "no brainer", in that lowering global healthcare costs will benefit patients, hospitals, providers and insurance companies.

There is testimony from local insurance companies that this would be challenging to implement, but numerous insurance companies, in states which have mandated increased primary care funding, have already successfully complied with this legislative mandate. Indeed, our research shows that local insurance companies spent about 100 millions annually on mainland contractors, while funding primary care at at only 3.6% of federal CMS funding. The increased reimbursements to the primary care providers providing 80% of patient visits could be made budget neutral just by decreasing egregious spending on on out of state vendors who provide no patient care.

Likewise regulatory agencies in other U.S. states are also implementing these laws. There is no reason that Hawai'i should be the only U.S. state unable to implement adequate primary care funding, when it would substantially lower costs and improve healthcare outcomes.

Aloha,

Scott Grosskreutz, M.D.

President Hawai'i Healthcare Task Force

HB-1965-HD-1

Submitted on: 2/25/2026 10:21:08 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Raelene Tenno	Individual	Support	Written Testimony Only

Comments:

Support HB1965 HD1

HB-1965-HD-1

Submitted on: 2/24/2026 3:20:22 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lila Mower	Individual	Support	Written Testimony Only

Comments:

I strongly support efforts to stabilize primary care services in Hawaii.

HB-1965-HD-1

Submitted on: 2/26/2026 1:58:49 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaohimanu L K Dang Akiona MD	Individual	Support	Written Testimony Only

Comments:

TESTIMONY IN SUPPORT OF HB1965 Primary Care Protection Act

House FINANCE Committee- Chris Todd, Chair; Jenna Takenouchi, Vice Chair

Aloha Chair, Vice Chair, and Esteemed Members of the Committee,

My name is Ka`ohimanu Dang Akiona, MD, and I am a rural, family medicine, primary care provider practicing on Hawai`i Island and with a branch of my clinic in Kaunakakai on Moloka`i. I submit this testimony in **strong support of HB1965**, the Primary Care Protection Act.

Primary care is the front door of the health care system. When it is accessible and stable, patients receive care earlier, chronic disease is better controlled, and costly emergencies are avoided. When primary care erodes, it is the patients and their families and communities who pay the price. In Hawai`i, especially on neighbor islands and in rural communities, we are already seeing the consequences of prolonged underinvestment in primary care. For these communities, access to primary care affects ALL aspects of life.

In my practice, I routinely manage complex medical issues that would otherwise escalate into emergency department visits or hospitalizations if timely primary care were not available. The gaps in care have worsened, particularly on Moloka`i, and patients, their families and the communities they are a part of are suffering as a result- higher rates of complications and lower quality of life, shorter life expectancy. Please understand that **peoples' lives are shorter depending on zip code due to lack of access to primary care.**

We know that treating infections early, adjusting medications before decompensation, coordinating care locally, and following patients after hospital or inter-island specialty care are core parts of primary care. This work prevents harm and saves money, but it requires time, staff, and reliable payment by insurers for services rendered.

Despite this key care role, primary care remains severely underpaid and undervalued. Reimbursement has not kept pace with rising costs, administrative burden continues to grow, and payment instability makes it increasingly difficult to retain staff or keep clinics open. Many colleagues have reduced insurance participation, closed practices, or left Hawai`i entirely. These are not isolated decisions. These are systemic signals of instability and pending collapse. The

wait time to establish care with a new primary care provider is 2 months or more- and is affecting medicaid, medicare as well as private insurances.

HB1965 addresses these realities directly. The bill establishes a minimum investment floor for primary care and ensures that primary care dollars reach frontline clinicians rather than being absorbed by administrative overhead or intermediary programs. It strengthens prompt-pay protections, limits inappropriate downcoding, and reduces administrative practices that undermine clinical care without improving outcomes.

As a primary care provider, I am particularly supportive of the bill's focus on access models that reflect Hawai'i's realities. Physician led practices with same-day and walk-in primary care are not conveniences in many communities. WE ARE ESSENTIAL. Protecting these services helps keep patients out of emergency departments and preserves access where options are limited.

The evidence supporting this approach is strong. Research by the Harvard Medical School Center for Primary Care shows that direct investment in primary care reduces emergency department use, preventable hospitalizations, and total health care costs, with measurable improvements seen within a relatively short time frame. **Strengthening primary care is one of the most effective cost-control strategies available- and one of the most meaningful ways we have to impact our friends, families and communities statewide.**

HB1965 does not raise premiums, mandate new benefits, or interfere with clinical decision-making. It simply ensures that existing health care dollars are used in a way that supports access, stabilizes the workforce, and keeps care local.

As a primary care provider committed to caring for our family and friends in the Kohala and Moloka'i communities, **I respectfully urge the Committee to support HB1965** and take an evidence-based step toward protecting health care access across Hawai'i.

Mahalo for the opportunity to testify and share my mana`o.

Respectfully,

Ka`ohimanu L K Dang Akiona, MD

Kohala Coast Urgent Care & Mobile Health/Moloka'i Family & Urgent Care

Kohala, Hawai'i Island/ Kaunakakai, Moloka'i

HB-1965-HD-1

Submitted on: 2/26/2026 3:45:59 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Allen Novak	Individual	Support	Written Testimony Only

Comments:

To: The Honorable Representative Chris Todd, Chair of the House Committee on Finance

From: Allen Novak, APRN in solo private practice serving chronic and severely mentally ill individuals in East Hawai'i Island.

Subject: HB1965 – Relating to primary care

Hearing: February 27, 2026 10:00 am

Aloha Representative Chris Todd, Chair; Representative Jenna Takenouchi, Vice Chair; and Committee Members,

I appreciate this opportunity to express support for HB1965 which, as amended, seeks to establish a work group address issues relating to, reimbursement of primary care providers along with other measures which will help to preserve and address the shortage of healthcare providers.

In Hawai'i there is a critical shortage of primary healthcare providers. This is particularly the case on neighbor islands and in rural underserved areas. My Hawai'i Island has a 40% shortage of practicing physicians. Advanced Practice Registered Nurses in East Hawai'i Island have in the past year chosen to close their practices due to inadequate carrier reimbursement and administrative burden.

The work group in this bill may be able to afford a measure of relief to primary care and all healthcare providers who are experiencing distress in their practices due to the insufficient financial reimbursement and high administrative demand of providing care to their patients.

Please pass HB1965

HB-1965-HD-1

Submitted on: 2/26/2026 5:06:27 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Laeton J Pang	Individual	Support	Written Testimony Only

Comments:

I'm writing as a physician in Hawaii for over 31 years and also as a health care consumer myself having had several significant personal health issues requiring medical intervention. I count myself lucky living on Oahu, but am painfully aware that those living on our neighbor islands and even parts of rural Oahu face significant existing access issues to primary care that have steadily worsened over time.

I recently returned from a trip to Florida for the Annual Summit of the American College of Radiation Oncology, which I serve as the Co-Chair of the Government Relations & Economics Committee and was the recipient of one of two gold medals awarded for exemplary service to our profession. While there I was shocked to sit in on a session with a Republican member of Congress who alleged that the third wing of the Democratic Party (after the media) has become the health insurance industry since passage of the Affordable Care Act under President Obama.

While I take great umbrage with that allegation, I feel it important to submit that Hawaii has a long history of providing the best in medical care to its people in large part due to near universal coverage. That legacy however is now under threat in part due to underfunding providers through the Medicaid program and the siphoning away of millions of dollars to health insurance companies on the mainland that could otherwise be used to actually provide patient care. Private practice providers are closing their practices in alarming numbers and I've heard of some providers using personal savings and mortgages to cover the shortfall and continue paying staff members.

I understand with deep disappointment that this bill has been amended to basically defer the issue to a working group, but am writing in support if that's the best solution that the legislature has to offer at this time.

Mahalo for your consideration.

Laeton J Pang, MD, MPH, FACR, FACRO, FASTRO, FACCC

HB-1965-HD-1

Submitted on: 2/26/2026 5:50:58 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christina Speirs	Individual	Support	Written Testimony Only

Comments:

I support the powerful (submitted) comments of my colleague, Dr. Laeton Pang, below.

Christina Speirs, MD, PhD

*

Submitted Testimony:

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