



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

House Committee on Health

H.B. 691, RELATING TO PHYSICIAN SHORTAGES

**Testimony of Chiyome Leinaala Fukino, M.D.
Director of Health**

**January 30, 2009
8:30 AM**

1 **Department's Position:** The Department of Health does not support this measure as written.

2 **Fiscal Implications:** There is a \$250,000 general fund appropriation into and out of a newly created
3 Hawaii rural health care provider loan repayment special fund to assist in creating the program.

4 **Purpose and Justification:** The department is well-acquainted with the physician shortages that our
5 underserved and rural communities are experiencing. This bill establishes the Hawaii Rural Health
6 Provider Loan Repayment program within the Department of Health to encourage physicians to work in
7 federally-designated health professional shortage areas of the State.

8 This measure contains substantially similar language to H.B. 2519, HD2, SD2, CD1 passed in
9 the 2008 legislative session that became law as Act 242. Act 242 created a working group within the
10 Department of Business, Economic Development and Tourism to develop a plan to establish the Hawaii
11 Health Corps Program (HHCP) to, similarly, address physician and dentist shortages by creating
12 programs, such as student loan repayments and state-funded stipends. The working group's report
13 outlining findings and recommendations is being submitted to the 2009 legislature. The department
14 respectfully suggests that H.B. 691 is premature, and we recommend that the interested parties, with the

1 aid of the report, continue the conversation about how scarce federal and state resources might be used
2 to improve recruitment and retention of health care professionals in rural and/or underserved areas.

3 Thank you for this opportunity to provide testimony on this measure.

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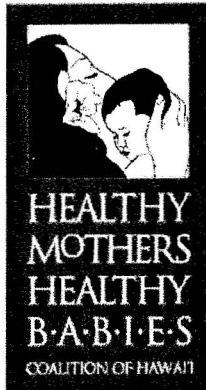
TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON HEALTH
ON
HOUSE BILL NO. 691

January 30, 2009

RELATING TO PHYSICIAN SHORTAGES

House Bill No. 691 establishes a rural physician loan program that would provide loan repayments for up to ten licensed physicians annually who graduate from an eligible education and training program in the United States, if they agree to serve as a physician in a health professional shortage area of the State for five consecutive years. The bill includes loan repayments of up to \$25,000 per year over a maximum of five years or 20% of the amount outstanding on a loan or loans used to pay for a physician's eligible education and training, whichever is less. The program would be financed by the Hawaii Rural Health Care Provider Loan Repayment Fund created by this bill. This fund would generate revenues through legislative appropriations, gifts, donations, grants, loan payments, proceeds of program operations, and interest. House Bill No. 691 appropriates \$250,000 from the general fund in Fiscal Year 2010 for deposit into this fund.

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



January 28, 2009

Committee: On Health
Bill: HB 691

Honorable Chairperson Yamane and Members of the Health Committee:

My name is Jackie Berry, Executive Director of Healthy Mothers Healthy Babies Coalition of Hawaii. HMHB IS IN STRONG SUPPORT OF HB 691. This Bill would establish a Hawaii Rural Health Care Provider Loan Repayment Program to provide student loan repayments to physicians who practice in federally designated health professional shortage areas of the state.

One of the central components to ensuring access to health care is having qualified physicians to provide the services. As we all know, there are areas of the State of Hawaii that have very serious shortages of physicians.

The data on access to prenatal care indicates that a major reason for late and inconsistent prenatal care is access to physicians, particularly on the island of Hawaii and in the rural areas of Oahu. Getting appropriate and timely prenatal care is a major indicator affecting birth outcomes.

We urge your support for the passage of this bill.

Mahalo for your consideration of this issue and our testimony.



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January 30, 200

To: House Health Committee
Rep. Ryan I. Yamane, Chair
Rep. Scott Y. Nishimoto, Vice Chair

From: Hawaii Medical Association
Dick Botti, Government Affairs Liaison
Lauren Zirbel, Government Affairs Liaison

Re: HB691 RELATING TO PHYSICIAN SHORTAGES

Chairs & Committee Members:

HMA supports HB 691 as another good long range solution to our rural health crisis that we are currently facing. Again, while the effects will not be felt for several years, it is a vital link in providing our Neighbor Islands with access to medical care.

Email Testimony to:
hlttestimony@capitol.hawaii.gov



Hawai'i Primary Care Association

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To: **The House Committee on Health**
The Hon. Ryan I. Yamane, Chair
The Hon. Scott Y. Nishimoto, Vice Chair

Testimony in Support of House Bill 691
RELATING TO PHYSICIAN SHORTAGES
Submitted by Beth Giesting, CEO
January 30, 2009, 8:30 a.m. agenda, Room 329

The Hawaii Primary Care Association urges your support for this bill. We believe loan repayment programs are a very powerful tool for recruiting and retaining health care professionals in underserved areas. It is all too apparent that Hawaii has a crying need for such a program at this time.

We would like to request two changes to the bill:

We would like § -2 (b)(2) to read "**Graduated from a school of medicine with training based in Hawaii.**" This preference is appropriate as Wai'anāe Coast Comprehensive Health Center, in partnership with an accredited Medical school in Arizona, is also offering medical training with a focus on developing physicians oriented toward delivering primary care in a community health center-based setting. We greatly respect JABSOM but believe that these additional candidates should also be prioritized for loan repayment.

We also note a tremendous need for more dentists to care for the underserved and would ask that they be added to the state loan repayment program now or as soon as possible.

Thank you for the opportunity to testify on this measure.

HMSA



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of Hawaii

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January 29, 2009

The Honorable Ryan Yamane, Chair
The Honorable Scott Nishimoto, Vice Chair
House Committee on Health

Re: HB 691 – Relating to Physician Shortages

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 691 which would create the Hawaii Rural Health Care Provider Loan Repayment Program to provide student loan repayments to physicians who practice in federally designated health professional shortage areas of the state.

States across the country are attempting to attract physicians through the implementation of innovative programs such as the loan repayment program in HB 691. A loan repayment program offered in tandem with the John A. Burns' School of Medicine's rural residency program will make practicing in rural areas of the state more attractive and feasible for newly graduated physicians.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Diesman".

Jennifer Diesman
Assistant Vice President, Government Relations