

From: Danielle Bass on behalf of Rep. Ryan Yamane
Sent: Thursday, February 03, 2011 4:13 PM
To: HLTtestimony
Subject: FW: Supporting HB 902: Doctor Loan Repayment Program

-----Original Message-----

From: Site Administrator [mailto:webmaster@hah.org] On Behalf Of Beth Hoban
Sent: Thursday, February 03, 2011 3:45 PM
To: Rep. Ryan Yamane
Subject: Supporting HB 902: Doctor Loan Repayment Program

Feb 3, 2011

Representative Ryan Yamane
State Capitol, Room 419
415 South Beretania Street
Honolulu, HI 96813

Dear Representative Yamane,

Thank you for this opportunity to share my thoughts in support of HB 902, which establishes the Hawaii medical doctor loan repayment program.

Statewide, based on study by Dr. Kelley Withy, the demand for physicians far outstrip the supply, with Hawaii currently being under-served by at least 450 physicians, two-thirds of whom are needed on the Neighbor Islands. Complicating matters is that of the approximately 2,800 physicians currently practicing, nearly 40 percent will reach the retirement age of 65 within the next 10 years.

Physicians leaving practice, combined with the graying of the Hawaii population, means that Hawaii will need 1,000 new physicians by the year 2030 in order to maintain current service levels. The issue of access will be even more critical with the implementation of federal health care reform and the creation of Health Insurance Exchanges in 2014, which will result in more people obtaining insurance coverage and an increase in the demand for medical services.

Despite the fact that Hawaii has one of the highest costs of living in the nation, physician reimbursements are only the twenty-second highest, based on Medicare fees. A loan repayment program would create an incentive for Hawaii's medical school graduates to set up practice in Hawaii.

For the foregoing reasons, I support HB 902.

Sincerely,

Mrs. Beth Hoban
1330 Ala Moana Blvd
Apt 606
Honolulu, HI 96814-4201
(808) 597-8948

LATE TESTIMONY

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
INTERIM DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON HEALTH
ON
HOUSE BILL NO. 902

February 4, 2011

RELATING TO THE UNIVERSITY OF HAWAII

House Bill No. 902 establishes a Hawaii Medical Doctor Loan Program that would provide financial support to students who complete a State-approved medical school program at the University of Hawaii and graduates of a medical school who have received medical training from a Hawaii-based medical program. These students and graduates would agree to practice in rural areas of the State. The program would be financed by the Hawaii Medical Doctor Loan Program revolving fund created by this bill. House Bill No. 902 appropriates unspecified sums from the general fund each year of the biennium for deposit into the revolving fund.

As a matter of general policy, the Department of Budget and Finance does not support the creation of a revolving fund which does not meet the requirements of Section 37-52.4 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.

In regards to House Bill No. 902, it is difficult to determine whether the fund will be self-sustaining.



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

LATE TESTIMONY

Friday February 4, 2011; 4:00 p.m. Conference Room 229

To: COMMITTEE ON HEALTH
Rep. Ryan Yamane, Chair
Rep. Dee Morikawa, Vice Chair

From: Hawaii Medical Association
Dr. Morris Mitsunaga, MD, President
Linda Rasmussen, MD, Legislative Co-Chair
Dr. Joseph Zobian, MD, Legislative Co-Chair
Dr. Christopher Flanders, MD, Executive Director
Lauren Zirbel, Community and Government Relations

Re: HB 902 Relating to the University of Hawaii

In Support.

Chairs & Committee Members:

Hawaii Medical Association supports this measure as being a unique means of addressing our rural area physician shortage. While it is long range, it is a solid method of helping to accomplish a number of long-term goals, such as:

- Assure that many of our JABSOM graduates will be able to remain in Hawaii;
- Increase the opportunity for professional employment and/or entrepreneurial opportunities in our rural communities;
- Address our access to medical care crisis with long range planning.

The HMA strongly supports this effort to provide incentives for physicians to service underserved areas and to keep more physicians in Hawaii.

Hawaii is currently experiencing a patient access to medical care crisis due to an inadequate supply of physicians statewide. The problem is especially critical on the neighbor islands.

Economic incentives that reduce the financial burden of a medical practice can serve as meaningful incentive to practice in rural areas.

OFFICERS

PRESIDENT - MORRIS MITSUNAGA, MD PRESIDENT-ELECT - ROGER KIMURA, MD
SECRETARY - THOMAS KOSASA, MD IMMEDIATE PAST PRESIDENT - DR. ROBERT C. MARVIT, MD TREASURER
- STEPHEN KEMBLE, MD EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, MD

LATE TESTIMONY

Financial burdens include:

Overhead that can be as high as 75% of gross income;

Overhead includes high medical malpractice insurance premiums (premiums vary by medical specialty);

Overhead includes increasing office staffing, office rent and other business expenses;

Income is based on capped and often inadequate payment for services from private and public health plans; and

For new physicians, typical student loan debt around \$160,000.

Thank you for the opportunity to provide this testimony.

LATE TESTIMONY



HOUSE COMMITTEE ON HEALTH
Rep. Ryan Yamane, Chair

Conference Room 329
Feb. 04, 2011 at 9:00 a.m.

Supporting HB 902.

The Healthcare Association of Hawaii advocates for its member organizations that span the entire spectrum of health care, including all acute care hospitals, as well as long term care facilities, home care agencies, and hospices. Thank you for this opportunity to testify in support of HB 902, which establishes the Hawaii medical doctor loan repayment program.

Statewide, based on study by Dr. Kelley Withy, the demand for physicians far outstrip the supply, with Hawaii currently being underserved by at least 450 physicians, two-thirds of whom are needed on the Neighbor Islands. Complicating matters is that of the approximately 2,800 physicians currently practicing, nearly 40 percent will reach the retirement age of 65 within the next 10 years.

Physicians leaving practice, combined with the graying of the Hawaii population, means that Hawaii will need 1,000 new physicians by the year 2030 in order to maintain current service levels. The issue of access will be even more critical with the implementation of federal health care reform and the creation of Health Insurance Exchanges in 2014, which will result in more people obtaining insurance coverage and an increase in the demand for medical services.

Despite the fact that Hawaii has one of the highest costs of living in the nation, physician reimbursements are only the twenty-second highest, based on Medicare fees. A loan repayment program would create an incentive for Hawaii's medical school graduates to set up practice in Hawaii.

For the foregoing reasons, the Healthcare Association supports HB 902.

From: Danielle Bass on behalf of Rep. Ryan Yamane
Sent: Thursday, February 03, 2011 4:19 PM
To: HLTtestimony
Subject: FW: Supporting HB 902: Doctor Loan Repayment Program

-----Original Message-----

From: Site Administrator [mailto:webmaster@hah.org] On Behalf Of Toby Clairmont
Sent: Thursday, February 03, 2011 4:15 PM
To: Rep. Ryan Yamane
Subject: Supporting HB 902: Doctor Loan Repayment Program

Feb 3, 2011

Representative Ryan Yamane
State Capitol, Room 419
415 South Beretania Street
Honolulu, HI 96813

Dear Representative Yamane,

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Despite the fact that Hawaii has one of the highest costs of living in the nation, physician reimbursements are only the twenty-second highest, based on Medicare fees. A loan repayment program would create an incentive for Hawaii's medical school graduates to set up practice in Hawaii.

For the foregoing reasons, I support HB 902.

Sincerely,

Mr. Toby Clairmont
94-566 Holoaniku St
Mililani, HI 96789-1732
(808) 864-7723