

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



LORETTA J. FUDDY, A.C.S.W., M.P.H.  
DIRECTOR OF HEALTH

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

In reply, please refer to:  
File:

**House Committee on Finance**

**February 28, 2012**

**WRITTEN TESTIMONY ONLY**

**Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.  
Director of Health**

**HB2368 HD1, Relating to the University of Hawaii at Hilo**

1 **Department's Position:** The Department of Health supports the intent of this measure provided that its  
2 enactment does not reduce or replace priorities within the Governor's Supplemental Budget Request.

3 **Fiscal Implications:** Undetermined

4 **Purpose and Justification:**

5 The Department of Health supports House Bill 2368 HD1, Relating to the University of Hawaii at Hilo.  
6 This proposal seeks to appropriate funds to establish a medical residency program at Hilo.

7  
8 HB2368 HD1 would establish a medical residency program at UH-Hilo as part of a larger effort to  
9 reduce the impact of physician shortages in Hawaii's rural areas and neighbor islands. The creation of a  
10 neighbor island residency program increases the likelihood of graduates of the program continuing to  
11 provide services on the neighbor islands. A 2008 study of programs that emphasize rural practice  
12 showed that 64% of the graduates of those programs ended up practicing in communities of less than  
13 50,000 and 57% of graduates were practicing in rural communities.

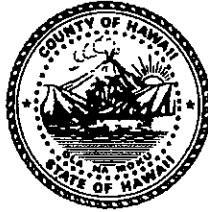
14

1 Exposure to the conditions that rural physicians face during their training phase better prepares future  
2 physicians for the reality of practicing in a rural environment, thus increasing the likelihood that a  
3 physician will not only choose to practice rurally initially, but also remain in rural practice throughout  
4 his/her career.

5

6 Thank you for the opportunity to testify.

William P. Kenoi  
Mayor



William T. Takaba  
Managing Director

Walter K.M. Lau  
Deputy Managing Director

## County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553  
KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740  
(808) 323-4444 • Fax (808) 323-4440

February 26, 2012

The Honorable Marcus R. Oshiro, Chair,  
House Committee on Finance  
Hawai'i State Capitol, Room 308  
415 South Beretania Street  
Honolulu, Hawai'i 96813

RE: House Bill 2368 HD1, Relating to University of Hawai'i at Hilo  
Testimony of William P. Kenoi, Mayor, County of Hawai'i, in Support

Dear Chair Oshiro and Committee Members:

Hawai'i County strongly supports House Bill 2368, which would appropriate funds to establish a medical residency program at the University of Hawai'i at Hilo.

The County of Hawai'i is experiencing severe shortages of physicians, and this medical residency program is a proven strategy for attracting physicians to the communities where their skills are needed most.

When physicians train in rural areas, they are more likely to consider rural areas of our islands as a place to establish their practices. At the same time, they are delivering care to medically needy and underserved rural populations.

Thank you for your consideration.

Aloha,

William P. Kenoi  
MAYOR

Testimony Presented Before the  
House Committee on Finance  
February 28, 2012 at 1:00 p.m.

by  
Donald O. Straney, Ph.D.  
Chancellor, University of Hawai'i at Hilo

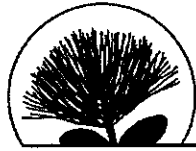
HB 2368 HD1 - Relating to the University of Hawai'i at Hilo

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Donald Straney, Chancellor of the University of Hawai'i at Hilo. I am testifying as a member of the Hawai'i Island community and I support the intent of HB 2368 HD1 to fund a program that is much needed on our island. However, I believe the funds appropriated for this bill should be directed to the Hilo Medical Center Rural Medical Residency Program.

The Rural Medical Residency Program at Hilo has an established and operating program to alleviate the severe physician shortage on Hawai'i Island. Funding will greatly increase and improve the quality of health care for people on the Island of Hawai'i. This program is a solution to attract, train and retrain doctors to be comfortable living in a rural setting, be more cognizant as well as understand the challenges that our island faces in terms of accessing and delivering quality health care.

Thank you for the opportunity to testify on HB 2368 HD1. Aloha.



# HILO MEDICAL CENTER FOUNDATION

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

Hearing  
February 28, 2012

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

Chair Oshiro, Vice Chair Lee and Members of the Committee, Good Afternoon. Thank you for the opportunity to testify on this important legislation that will assist rural communities of the State of Hawaii to address its critical shortage of medical doctors.

My name is Julie Tulang and I represent the Hilo Medical Center Foundation Board of Trustees (Foundation). The mission of the Foundation is *"to support the Hilo Medical Center with projects that benefit the greater community"*. I appreciate this opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the (Hilo) Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process, which will take almost two years. The Program will require \$400,000 per year in order to sustain ongoing operations. Rural communities need more doctors and the Hilo Medical Residence Program is one way to introduce and encourage medical residents to ultimately practice medicine in Hilo, or in rural communities throughout Hawaii.

The Foundation and the Hawaii Island Community has supported the Hilo Medical Residency Program financially, and with countless volunteer hours. The critical issue of the lack of physicians and supporting medical personnel in rural area is a long-standing issue since the decline of the sugar industry. The Hilo Medical Residency Program will

be a benefit to the Hawaii Island and many other rural communities. Hilo Medical Center has taken on the challenge and responsibility to get this Hilo Medical Residency Program accredited, and the Foundation supports that effort.

We, the Hilo Medical Center Foundation Board, support HB 2368, relating to the appropriation of funds for the (Hilo) Medical Residency Program and would recommend that those funds be directed to the Hilo Medical Center rather than the University of Hawaii at Hilo.

Thank you for the opportunity to submit testimony in support of House Bill 2368.

Julie Tulang  
Vice-President, Hilo Medical Center Foundation  
1190 Waianuenue Avenue, Hilo, Hawaii 96720  
Ph. 935-2957



# Hawai'i Island Chamber of Commerce

117 Keawe Street, Suite 205  
Hilo, Hawai'i 96720-2851  
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Jon Miyata

*President-Elect*  
Vaughn Cook

*Vice President*  
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Donald Straney  
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Barry Taniguchi  
Ron Terry  
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Carol VanCamp  
William Walter  
Noreen Yamane

February 27, 2012

Submitted On-Line at <http://www.capitol.hawaii.gov/submittestimony.aspx>

Honorable Marcus Oshiro, Chair  
House Finance Committee  
State Capitol  
415 South Beretania Street  
Honolulu, Hawai'i 96813

RE: Testimony in Support of HB 2368 HD1 Hilo Medical Residency  
Program

Dear Chair Oshiro, Vice Chair Lee, and Members of the Committee:

My name is Vaughn Cook and I am the President-Elect of the Hawaii Island Chamber of Commerce. With more than 230 member businesses and over 500 member representatives, the Chamber serves as an important voice of business in Hawaii.

The Chamber **strongly supports** HB 2368 HD1 which will fund the Hilo Medical Residency Program for fiscal year 2012 -2013.

Access to medical care is a **critical need** for ALL RESIDENTS of the State of Hawaii. Often, residents of the neighbor islands suffer from lack of doctors willing to establish their practices in our communities for a variety of reasons. The Medical Residency Program seeks to reverse this trend and to encourage medical residents to consider the benefits of practicing medicine on the Island of Hawaii.

The Chamber has consistently supported a local Medical Residency Program. This program is aligned with our positions on Health Care which are as follows:

Health Care:

The Chamber supports Health Care initiatives that assist Hawaii Island Communities:



# Hawai'i Island Chamber of Commerce

117 Keawe Street, Suite 205  
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Phone: (808) 935-7178  
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[www.hicc.biz](http://www.hicc.biz)

Recruit, retain, and train health care professionals and para-professionals  
Improve health care infrastructure and health care systems  
Provide access to quality health care for all community members.  
Provide preventative and general health care education to health care consumers.

Supporting this program helps government fulfill one of its primary purposes – maintaining the health, safety and welfare of its citizens. Nothing is more important to maintaining health, safety and welfare than having access to doctors in your own community.

We urge you to support this HB 2368 HD1 that allows funding for this Medical Residency Program to continue on the Big Island for another fiscal year. These funds will be well spent as they will encourage more doctors to practice in our community. This will improve the Health of the ENTIRE COMMUNITY.

We appreciate your consideration of this testimony and ask for the support of both Committees to move this important legislation forward.

Very Truly Yours

Vaughn G. T. Cook  
President-Elect





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

*"Touching Lives Everyday"*

**House Committee on Health  
Representative Marcus R. Oshiro, Chair  
Representative Marilyn B. Lee, Vice Chair**

Tuesday, February 28, 2012  
Conference Room 308  
1:00 p.m.  
Hawaii State Capitol

**Testimony Supporting House Bill 2368, HD1, Relating Medical Residency Program; University of Hawaii at Hilo; Appropriation  
Appropriates funds for a medical residency program at UH-Hilo.**

Bruce S. Anderson, Ph.D.  
President and Chief Executive Officer  
Hawaii Health Systems Corporation

Hawaii Health Systems Corporation (HHSC) supports the intent of HB 2368, HD1, that appropriates funds for a medical residency program at UH-Hilo.

The purpose of the program is to train and recruit primary care physicians for East Hawaii, which has a severe physician shortage. Primary Care Physicians are Integral to the Delivery of Quality and Effective Healthcare in Hawaii, As the front-line doctors, primary care physicians identify and treat chronic diseases, as well as more acute conditions like severe flu and pneumonia, and identify potentially cancerous masses and lumps. Primary care is vital to improving health services and reducing the health disparities that East Hawaii faces.

According to the North Hawaii Outcomes Project, some of the disparities include higher death rates on the Hawaii Island due to heart disease, stroke, cancer, infant mortality, and suicide. In addition, there is a lower life expectancy that is related to insufficient primary care. Access to primary care physicians enables diseases and conditions to be identified earlier when they are treated more easily, require fewer health resources, and recovery or cure is more likely. In addition, primary care physicians play a key role in encouraging patients to make needed changes in their health habits enabling the success of prevention programs.

Recruitment and retention of physicians in Hawaii's rural areas is an on-going challenge. An interdisciplinary residency program is not a panacea to our recruitment

problem, but it is a good step forward in alleviating our physician and nursing shortages. The program will require close collaboration between the East Hawaii Region of HHSC, JABSOM, and UH Hilo. We respectfully request an appropriation of \$400,000 per year to support the program.

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



**HAWAII MEDICAL ASSOCIATION**

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

TO: HOUSE COMMITTEE ON FINANCE  
Rep. Marcus R. Oshiro, Chair  
Rep. Marilyn B. Lee, Vice Chair

DATE: Tuesday, Feb. 28, 2012  
TIME: 1:00 p.m.  
PLACE: CR 308

FROM: Hawaii Medical Association  
Dr. Roger Kimura, MD, President  
Dr. Linda Rasmussen, MD, Legislative Co-Chair  
Dr. Joseph Zobian, MD, Legislative Co-Chair  
Dr. Christopher Flanders, DO, Executive Director  
Lauren Zirbel, Community and Government Relations

Re: HB 2368 RELATING TO THE UNIVERSITY OF HAWAII AT HILO

In Support

Chairs & Committee Members:

The Hawaii Medical Association strongly endorses the establishment and financial support of the Hilo Family Medicine residency program.

Inadequate access to health care on the neighbor islands has become a vitally important issue. Too many people die, or suffer poor outcomes, because there are inadequate numbers of practicing physicians. According to the Kaiser Foundation, the life span of a Big Island resident is currently 1.6 years shorter than those in other parts of the state. Because hospitals are so financially stressed that they do not have the ability to establish or partner to provide services and achieve the programs necessary for the recruitment and retention of physicians.

The introduction of HB2368 is important to all neighboring islands in that it establishes support in the recruitment and retention of health care providers. Financial assistance to the organizing Family Medicine residency program in Hilo will augment an island-wide community fundraising effort, and with corporate donations, bring young, energetic physicians to train in the rural setting of the Big Island. Studies show that physicians tend to begin their practice within 50 miles of their training site. This, combined with exposure to a rural medicine setting, will help to build a foundation on which a growing medical community may be built.

The Hawaii Medical Association strongly supports HB2368 as being important to the rural areas of the state, and beneficial to the state as a whole.

**OFFICERS**

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**IMMEDIATE PAST PRESIDENT - MORRIS MITSUNAGA, MD, SECRETARY - THOMAS KOSASA, MD, TREASURER -**  
**WALTON SHIM, MD, EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, DO**

Thank you for allowing us to testify on this matter.

*"Health care that is safe, health care that works, and health care that leaves no one behind"*

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Robert Irvine, MD, Chair  
East Hawaii Region Board of Directors  
Hawaii Health Systems Corporation**

On behalf of the Board of Directors of the East Hawaii Region of Hawaii Health Systems Corporation (HHSC), I am pleased to have the opportunity to present testimony urging your strong support of HB 2368 that authorizes appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

Since the inception of the HHSC East Hawaii Regional Board, one of our top priorities has been to develop the interdisciplinary Hilo Medical Residency Program. It is Hawaii Island's best way to alleviate the critical shortage of physicians, which is acute now and projected to grow exponentially as doctors of my generation reach retirement age. The fact that we represent 40 percent of the physicians that the state will need to replace is a daunting proposition. This situation is made ever more dire as Hawaii County is the fastest growing area of the state.

As the Board Chair, and as an orthopedic surgeon who invested more than 30 years of my life caring for East Hawaii's citizens and building the island's health system, I know first hand how vital this program is to the provision of health services in the years to come.

Importantly, the Residency Program is a best-practice model, designed to train physicians and clinical professionals in the newest system of care delivery. East Hawaii's early adoption of an electronic medical system, and the technological advancements afforded by the island's selection as a Beacon Community, present Hilo with a tremendous opportunity to develop a world-class training program.

Moreover, however, this advanced model program will serve to train four family practice physicians each year, along with nurses, advanced practice nurses, pharmacists, physical therapists and other clinical professionals who will provide not only preventive and acute care, but health promotion and education, as well as outreach services to the diverse population in Hawaii County. This will result in a healthier population and lower health expenditures.

Given that the Big Island suffers from higher rates of smoking, cardiovascular disease, and diabetes – all of which have enormous health consequences and costs to the healthcare system – funding this critical program now and in the future is an investment in the vitality of our population and in the health of our workforce.

I appreciate the opportunity to have served to improve the health of East Hawaii's population for so many years. I respectfully ask the Committees' support of this measure.

*"Health care that is safe, health care that works, and health care that leaves no one behind"*

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Christine Beck MSN/MA, APRN**  
**East Hawaii Region Board of Directors**  
**Hawaii Health Systems Corporation**

As a member of the Board of Directors of the East Hawaii Region of HHSC, I am appreciative of the opportunity to urge the Committees' support of HB 2368. As a nurse, nurse educator, advanced practice nurse, and community member I urge your support for funding of the Big Island Rural Interdisciplinary Residency Program.

I would like to speak to you about how the Residency Program stands as a best-practice model of patient-centered clinical practice and training.

Firstly, the Residency Program currently offers a model multidisciplinary clinic staffed with physicians, nurses, advanced practice nurses and pharmacists who provide primary care, disease prevention, health promotion, and outreach services to patients from diverse backgrounds. The patient-centered model transforms care by placing the patient and family at the center of practice. Teams of health professionals work together with patients, families, and communities to ensure comprehensive, coordinated, safe, and quality health services. The Institutes of Medicine and emerging Accountable Care Organizations endorse this model as a means to ensure cost-effective health services, identify practices that bridge the chasm of unequal access to quality care, and explore how new systems approaches can implement change.

Secondly, the Residency Program clinic also currently serves as an interdisciplinary training ground for baccalaureate nursing, family nurse practitioner, and doctor of pharmacy students from both UH Hilo and UH Manoa. In fact, the first nurse practitioner student to complete her family nurse practitioner training at the Residency Program clinic has now earned her Master's Degree from UH Manoa. She is now employed as a Family Nurse Practitioner at the UH Hilo Student Health Service Clinic.

The new Doctor of Nursing programs at both UH Manoa and UH Hilo will be placing students in the Residency Program clinic to work with the community to design innovative health care education and research programs to improve rural health outcomes. The addition of the medical residents, physical therapists, and occupational therapists will round out the Residency Program's ability to fully function as a model clinic and training facility offering:

- 1) Superb access to care
- 2) Patient engagement in their care
- 3) Clinical information systems that support high quality evidence-base care
- 4) Culturally competent care coordination and integrated comprehensive care
- 5) Practice-based learning in collaborative teams

The Big Island Rural Interdisciplinary Residency Program helps the State of Hawaii to grow our own health professionals to work in communities throughout our state, thereby strengthening community capacity and workforce development. I strongly urge your support of this Bill. The people of the State of Hawaii can only benefit from the support of this innovative model program.

*"Health care that is safe, health care that works, and health care that leaves no one behind"*

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Carol Iadeluca-Myrianthis, RPT, PsyD  
East Hawaii Region Board of Directors  
Hawaii Health Systems Corporation**

As a business owner and a member of the Board of Directors of the East Hawaii Region of HHSC, I am expressing my desire for the Committees to fully support of HB 2368.

Kinisis Hawaii Inc. has provided physical therapy services to patients in Pahoa, Ka'u and Hilo for more than 30 years. My firm treats patients regardless of their ability to pay and is proud to be part of the healthcare fabric of these East Hawaii communities.

Today, the current shortage of physicians in East Hawaii is threatening our network of health services and jeopardizing the wellbeing of our residents. I am acutely aware of the wave of practicing physicians that are reaching retirement age, and troubled by what this situation means for our Island. We must fully fund, and thus, ensure the viability of the Medical Residency Program in Hilo.

Many of the patients Kinisis' works with each day are suffering from debilitating conditions stemming from poor health habits and/or conditions that have worsened because they were not identified and treated sooner. Access to family physicians is one of our best means to identify these unhealthy behaviors, such as obesity and smoking, and to help individuals to change their life patterns. The health of Hawaii County is plagued by the highest rates of smoking, obesity, binge drinking, and motor vehicle accidents in the state. Puna, for example, is the fastest growing area of the state and has the Hawaii's highest use of tobacco, which is nearly 20 percent, according to the American Lung Association. In human terms, and to lower the cost to our healthcare system, we simply must turn these health trends around.

The current state of health in East Hawaii, and the fact that more than 40 percent of the state's doctors are projected to retire in the next 10 years equates to a current crisis. Moreover, in this same time period, the state is facing a wave of residents that are due to retire within the next 10 to 20 years. The fact that the elderly are more intensive users of health resources, coupled with a shortage of providers, creates a "perfect-storm" situation regarding the health of Hawaii's population.

For these reasons, among many, I ask for your support of HB 2368.



"Health care that is safe, health care that works, and health care that leaves no one behind"

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Kristine McCoy, MD, MPH**  
**Program Director**  
**Hawaii Island Rural Family Practice Residency Program**

As the newly hired Program Director for the Hawaii Island Rural Family Practice Residency Program, it is my pleasure to submit testimony that asks for your support of HB 2368 to fund this critical health resource for the Island and the State. The Residency Program is a practical and cost-effective means to build a stable interdisciplinary health workforce that is sufficient to serve the needs of Hawaii Island's population.

Currently, the Hilo Residency Program is preparing its application for accreditation by the Accreditation Council for Graduate Medical Education. Preparation of the application entails ensuring myriad components of the curriculum, preceptors from the physician community, and all related aspects of training are in place. Once accredited, which we anticipate will occur during 2013, the program will enroll its first cohort of four doctors to begin their residency in 2014. This class will be followed by successive classes of four doctors in each of program's three years.

As a physician with a master's degree in public health, I see the importance of training physicians to practice in a rural setting as twofold:

- Physicians, advanced practice nurses, pharmacists and others who are trained in a rural setting, overwhelmingly practice in rural areas, thereby increasing access to care. In addition to providing care when patients are ill, greater access to primary care through family medicine physicians also equates to a community being better served with preventative services. Preventing the development of disease by working with patients to change lifestyle choices, and diagnosing disease and conditions early when health can more likely be restored, results in a dramatic cost savings to the healthcare system.
- The practice of family medicine in a rural setting requires doctors and other clinical professionals to be skilled in working with networks of providers that are often less robust than in urban settings. Hawaii Island's geography, diverse cultures, and other factors increase the need for family practice physicians who are trained to develop patients' care plans with available resources.

Given Hawaii Island's shortage of physicians, the importance of these two points cannot be overstated. Family physicians and their primary care colleagues need to be trained in the appropriate setting. Furthermore, family practice doctors are the referral source to other physician specialists. Thus, a base of family practice physicians is fundamental to attracting needed cardiologists, gastroenterologists, ophthalmologists, and other critical specialists to the Island.

Currently, Hawaii Island is at a critical juncture in its ability to keep our citizens healthy and our workforce strong. HB 2368 will enable the Residency Program to move forward to achieve needed health services for Hawaii Island and others in the State. Thank you for the opportunity to submit this testimony and to urge the Committee's Members to fully support this Bill.

"Health care that is safe, health care that works, and health care that leaves no one behind"

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

February 28, 2012  
Conference Room  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

Howard Ainsley  
East Hawaii Regional CEO  
Hawaii Health Systems Corporation

On behalf of the East Hawaii Region of Hawaii Health Systems Corporation (HHSC) and its Board of Directors, thank you for the opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

With the on-going support of the Legislature, the East Hawaii Region of HHSC continues to serve the healthcare needs of Hawaii County's growing population as a State Safety Net facility. The Region encompasses Hilo Medical Center (HMC), its long-term care facility and outpatient specialty clinics, Critical Access Hospitals in Ka'u and Honoka'a, as well as the Yukio Okutsu State Veterans Home. As the largest hospital on the island, HMC serves the needs of its patients, regardless of their financial status or ability to pay. A network of primary care physicians that is adequate to meet the needs of the East Hawaii population is critical to the provision of services at the Region's facilities.

Hawaii County has a shortage of more than 150 physicians needed to provide adequate levels of access. Moreover, the current physician shortage is expected to more than double in the next 5 years as many doctors retire, according to the latest projections by the authors of the 2011 University of Hawaii John A. Burns School of Medicine Workforce Study. Statewide, the projected loss of doctors equates to 41 percent of Hawaii's physicians as they reach retirement age of 65 within the next 10 years. This means Hawaii faces a potential loss of 134 physicians per year as they retire, according to the Workforce Study.

The current and projected shortage of physicians simply means less access to care for Hawaii County residents that already suffer from a disproportionate rate of disease and disability than others in the state. According to the North Hawaii Outcomes Project (2011) these health disparities include:

- Higher Death rates, from
  - Heart disease
  - Stroke
  - Diabetes
  - Overall cancer
  - Infant mortality
  - Suicide
  - Traffic-related accidents
- Lower life expectancy
- Higher teen birth rates

- Higher confirmed child abuse rates

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process. The Program will require \$400,000 per year in order to sustain ongoing operations. Medical residency programs require significant resources, which are not adequately recouped through the provision of health services extended to patients by medical residents. In today's environment of rising healthcare costs and decreased reimbursement, the resulting financial shortfall is more dramatic, particularly when services are rendered to the underinsured.

The Hilo Medical Residency Program is Hawaii Island's best way to alleviate the critical shortage of physicians, as doctors trained in a rural environment are much more likely to practice in such an environment. We expect the residents trained in Hilo will practice throughout the Neighbor Islands.

The Hilo Medical Residency Program intends to incorporate a Patient Centered Medical Home model in the training of physicians. This new approach will train doctors to practice in a manner in which a patient's care is highly coordinated to achieve the best outcomes and to better manage healthcare costs. East Hawaii's early adoption of an electronic medical record system (in place at only 30 percent of hospitals in the nation) is a cornerstone of this training model. In addition, the hospital's participation in the Beacon Community will result in establishing Hilo's program as a highly desirable technology-based rural training option for doctors.

Our goal is to have the Residency Program fully accredited by 2013, and to have the first cohort of four doctors begin the residency in 2014, followed by successive classes of four doctors in each of the program's three years. To achieve this, ongoing State support is needed to operate this program that will dramatically curtail the island's severe shortage of primary care physicians.

Thank you for the opportunity to testify before these Committees. We would respectfully urge the Committees' support of this measure.

*"Health care that is safe, health care that works, and health care that leaves no one behind"*

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Christine Beck MSN/MA, APRN  
East Hawaii Region Board of Directors  
Hawaii Health Systems Corporation**

As a member of the Board of Directors of the East Hawaii Region of HHSC, I am appreciative of the opportunity to urge the Committees' support of HB 2368. As a nurse, nurse educator, advanced practice nurse, and community member I urge your support for funding of the Big Island Rural Interdisciplinary Residency Program.

I would like to speak to you about how the Residency Program stands as a best-practice model of patient-centered clinical practice and training.

Firstly, the Residency Program currently offers a model multidisciplinary clinic staffed with physicians, nurses, advanced practice nurses and pharmacists who provide primary care, disease prevention, health promotion, and outreach services to patients from diverse backgrounds. The patient-centered model transforms care by placing the patient and family at the center of practice. Teams of health professionals work together with patients, families, and communities to ensure comprehensive, coordinated, safe, and quality health services. The Institutes of Medicine and emerging Accountable Care Organizations endorse this model as a means to ensure cost-effective health services, identify practices that bridge the chasm of unequal access to quality care, and explore how new systems approaches can implement change.

Secondly, the Residency Program clinic also currently serves as an interdisciplinary training ground for baccalaureate nursing, family nurse practitioner, and doctor of pharmacy students from both UH Hilo and UH Manoa. In fact, the first nurse practitioner student to complete her family nurse practitioner training at the Residency Program clinic has now earned her Master's Degree from UH Manoa. She is now employed as a Family Nurse Practitioner at the UH Hilo Student Health Service Clinic.

The new Doctor of Nursing programs at both UH Manoa and UH Hilo will be placing students in the Residency Program clinic to work with the community to design innovative health care education and research programs to improve rural health outcomes. The addition of the medical residents, physical therapists, and occupational therapists will round out the Residency Program's ability to fully function as a model clinic and training facility offering:

- 1) Superb access to care
- 2) Patient engagement in their care
- 3) Clinical information systems that support high quality evidence-base care
- 4) Culturally competent care coordination and integrated comprehensive care
- 5) Practice-based learning in collaborative teams

HAWAII HEALTH SYSTEMS CORPORATION

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The Big Island Rural Interdisciplinary Residency Program helps the State of Hawaii to grow our own health professionals to work in communities throughout our state, thereby strengthening community capacity and workforce development. I strongly urge your support of this Bill. The people of the State of Hawaii can only benefit from the support of this innovative model program.

"Health care that is safe, health care that works, and health care that leaves no one behind"

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

February 28, 2012  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

**Carol Iadeluca-Myrianthis, RPT, PsyD**  
**East Hawaii Region Board of Directors**  
**Hawaii Health Systems Corporation**

As a business owner and a member of the Board of Directors of the East Hawaii Region of HHSC, I am expressing my desire for the Committees to fully support of HB 2368.

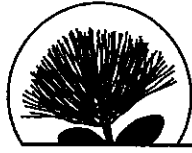
Kinisis Hawaii Inc. has provided physical therapy services to patients in Pahoia, Ka'u and Hilo for more than 30 years. My firm treats patients regardless of their ability to pay and is proud to be part of the healthcare fabric of these East Hawaii communities.

Today, the current shortage of physicians in East Hawaii is threatening our network of health services and jeopardizing the wellbeing of our residents. I am acutely aware of the wave of practicing physicians that are reaching retirement age, and troubled by what this situation means for our Island. We must fully fund, and thus, ensure the viability of the Medical Residency Program in Hilo.

Many of the patients Kinisis' works with each day are suffering from debilitating conditions stemming from poor health habits and/or conditions that have worsened because they were not identified and treated sooner. Access to family physicians is one of our best means to identify these unhealthy behaviors, such as obesity and smoking, and to help individuals to change their life patterns. The health of Hawaii County is plagued by the highest rates of smoking, obesity, binge drinking, and motor vehicle accidents in the state. Puna, for example, is the fastest growing area of the state and has the Hawaii's highest use of tobacco, which is nearly 20 percent, according to the American Lung Association. In human terms, and to lower the cost to our healthcare system, we simply must turn these health trends around.

The current state of health in East Hawaii, and the fact that more than 40 percent of the state's doctors are projected to retire in the next 10 years equates to a current crisis. Moreover, in this same time period, the state is facing a wave of residents that are due to retire within the next 10 to 20 years. The fact that the elderly are more intensive users of health resources, coupled with a shortage of providers, creates a "perfect-storm" situation regarding the health of Hawaii's population.

For these reasons, among many, I ask for your support of HB 2368.



# HILO MEDICAL CENTER FOUNDATION

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

Hearing  
February 28, 2012

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

Chair Oshiro, Vice Chair Lee and Members of the Committee, Good Afternoon. Thank you for the opportunity to testify on this important legislation that will assist rural communities of the State of Hawaii to address its critical shortage of medical doctors.

My name is Julie Tulang and I represent the Hilo Medical Center Foundation Board of Trustees (Foundation). The mission of the Foundation is *"to support the Hilo Medical Center with projects that benefit the greater community"*. I appreciate this opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the (Hilo) Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process, which will take almost two years. The Program will require \$400,000 per year in order to sustain ongoing operations. Rural communities need more doctors and the Hilo Medical Residence Program is one way to introduce and encourage medical residents to ultimately practice medicine in Hilo, or in rural communities throughout Hawaii.

The Foundation and the Hawaii Island Community has supported the Hilo Medical Residency Program financially, and with countless volunteer hours. The critical issue of the lack of physicians and supporting medical personnel in rural area is a long-standing issue since the decline of the sugar industry. The Hilo Medical Residency Program will

be a benefit to the Hawaii Island and many other rural communities. Hilo Medical Center has taken on the challenge and responsibility to get this Hilo Medical Residency Program accredited, and the Foundation supports that effort.

We, the Hilo Medical Center Foundation Board, support HB 2368, relating to the appropriation of funds for the (Hilo) Medical Residency Program and would recommend that those funds be directed to the Hilo Medical Center rather than the University of Hawaii at Hilo.

Thank you for the opportunity to submit testimony in support of House Bill 2368.

Julie Tulang  
Vice-President, Hilo Medical Center Foundation  
1190 Waianuenue Avenue, Hilo, Hawaii 96720  
Ph. 935-2957





February 26, 2012

**Testifier: Sandra King Young**  
Executive Director  
Pacific Islands Center for Educational Development

**To: The Honorable Marcus R. Oshiro**  
Chairman  
Committee on Finance  
Tuesday, February 28, 2012  
1:00 p.m. -- HB 2368

**TESTIMONY IN SUPPORT OF HB 2368**

Dear Chairman Oshiro:

Please accept this brief testimony in support of HB 2368, appropriating funds to establish a medical residency program at the University at Hilo.

The Pacific Islands Center for Educational Development (PiCED) is located in American Samoa and we help Samoans and other Pacific Island students prepare for college. As a non-profit organization that is focused on community development, we are constantly monitoring the trends in education and current events that impact the future of our children as we implement our organizational mission. For example, the most pressing crisis that our community currently faces is the financial sustainability of our only hospital, the LBJ Tropical Medical Center. Even as the LBJ faces a financial crisis, PiCED's interest lays in how we can remain relevant in helping our community solve our socio-economic problems through the preparation of our young people to enter college. Unfortunately, based on our data, nearly 95% of our high school graduates are majoring in the Liberal Arts. Only a handful of high school graduates are interested in other fields and rarely in the sciences. As a result, we can foresee and the hospital confirms that in 10-20 years, we will be losing many of our current local doctors to retirement and there is currently no established medical pipeline to train young Samoans to fill those positions in the future. As we consider the future of how we are going to develop a new cadre of doctors and nurses, we are faced with the dilemma of how can we develop a pipeline of new emerging medical students, but more

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PiCED is a 501(c)(3) non-profit organization.  
[www.piced.org](http://www.piced.org) • 5770 Fagatogo, Pago Pago AS 96799  
Ph: (684) 699-6094 • Fx: (684) 699-6098

importantly, where can we send them for medical school and residency. As our government has attempted to enforce the USMLE among our doctors regionally trained at the well-respected Fiji School of Medicine, it is also good for our territory to look at other options for medical residency training, especially at the University of Hawaii at Hilo.

Because American Samoa is a U.S. territory, 99% of our graduates gravitate to the U.S. for a college education. We customarily look to Hawaii as the first choice in selecting a college. As we look towards the future and consider the long-term solutions to our medical crisis and the looming shortages of doctors and nurses, it makes sense for us to submit this testimony in support of HB 2368, because if passed, the residency program at UH Hilo could be part of the solution in helping to resolve the shortages of medical care professionals in the Pacific region, especially in American Samoa. PiCED would strongly support the development of creative programs to help establish a pipeline for medical students in collaboration with our government and other medical schools like the Fiji School of Medicine and UH Hilo. The key is to lay the foundation for these potential solutions that could develop sustainable solutions for our communities. Regional cooperation and collaboration makes sense because we come from similar remote areas that face the barriers in medical care professionals' recruitment and retention. We do know from experience and common sense, that the doctors and nurses that tend to work and remain in our communities, are our own native peoples that receive such education and training. They are inherently committed to our communities by virtue of having been born and raised in our native communities. Our own people are more likely to live in our communities and care for our people over the long run, then others who are simply looking for an island lifestyle. Although here in American Samoa, we have our own issues to resolve in terms of developing our pipeline of medical students from K-12, PiCED can still support those efforts that could potentially impact American Samoa as vehicles for solutions in the future—as here for HB 2368.

PiCED has a long and positive history with UH Hilo. We strongly support the mission of UH Hilo because Hilo offers a very supportive and relevant environment to many of our Samoan students, not too different from living in American Samoa. Samoan students coming from American Samoa have a very positive educational experience at UH Hilo. As American Samoa does not have a 4-year university or a medical school, UH Hilo provides one of the best options for a college education for our children.

Please pass HB 2368, it is a visionary effort that will greatly benefit the Pacific region including American Samoa, by providing quality medical residency program options for our native Samoans and Pacific Islander students.

Sincerely,

*Tofoitaufa Sandra King Young*

Tofoitaufa Sandra King Young

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PiCED is a 501(c)(3) non-profit organization.  
[www.piced.org](http://www.piced.org) • 5770 Fagatogo, Pago Pago AS 96799  
Ph: (684) 699-6094 • Fx: (684) 699-6098

## **TESTIMONY**

**To: House Committee on Finance**  
The Hon. Marcus R. Oshiro, Chair  
The Hon. Marilyn B. Lee, Vice Chair

**Testimony in Support of House Bill 2368**  
**Relating to the University of Hawaii at Hilo**

**Tuesday, February 28, 2012                      1:00 p.m. Room 308 State Capitol**  
Submitted by Susan B. Hunt, MHA

Thank you for the opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Family Practice Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

I speak in support of HB2368 as an East Hawaii Regional Board Member, the former CEO of the Hamakua Health Center, a member of the Hawaii Island Healthcare Alliance and as the CEO of the Hawaii Island Beacon Community. I understand first-hand how difficult it is to recruit and retain primary care physicians in rural communities and the impact that the shortage of primary care physicians is having on access to care on Hawaii Island.

The physician shortage on Hawaii Island has been well documented. Survey results indicate that we will lose 32% of our physicians in the next five years. I believe the Rural Family Practice Residency Program is one of the best ways to alleviate the critical shortage of primary care physicians. It is well documented that primary care residents who train in rural communities typically stay and practice in those communities.

Currently, the Rural Family Practice Residency Program is preparing its application for accreditation by the Accreditation Council for Graduate Medical Education. Preparation of the application entails ensuring myriad components of the curriculum, preceptors from the physician community, and all related aspects of training are in place. Once accredited, which we anticipate will occur during 2013, the program will enroll its first cohort of four doctors to begin their residency in 2014. This class will be followed by successive classes of four doctors in each of program's three years.

State funding of the Rural Family Practice Residency Program is critically needed now to ensure the program is sustained through its accreditation process and will require \$400,000 per year in order to sustain ongoing operations. Operating a Family Practice Residency Program requires supplemental financing because reimbursement for services to patients does not adequately cover the amount of resources required to operate the program.

It is essential that we work collaboratively at many levels to ensure that our citizens have access to physicians and quality healthcare through training, financing, and support at the local level. We have a unique opportunity through the alignment of Hilo Medical Center and the University of Hawaii School of Medicine to offer family practice residents an opportunity to live and work on Hawaii Island. For these reason I request your support of HB2368.

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

February 28, 2012  
Conference Room  
Hawaii State Capitol, Room 308

<b>Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.</b>
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Harry Yada  
Member of the East Hawaii Regional Board  
Hawaii Health Systems Corporation

As a member of the East Hawaii Regional Board for Hawaii Health Systems Corporation and as an individual residing in the East Hawaii Region, I would like to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

With the on-going support of the Legislature, the East Hawaii Region of HHSC continues to serve the healthcare needs of Hawaii County's growing population as a State Safety Net facility. The Region encompasses Hilo Medical Center (HMC), its long-term care facility and outpatient specialty clinics, Critical Access Hospitals in Ka'u and Honoka'a, as well as the Yukio Okutsu State Veterans Home. As the largest hospital on the island, HMC serves the needs of its patients, regardless of their financial status or ability to pay. A network of primary care physicians that is adequate to meet the needs of the East Hawaii population is critical to the provision of services at the Region's facilities.

Hawaii County has a shortage of more than 150 physicians needed to provide adequate levels of access. Moreover, the current physician shortage is expected to more than double in the next 5 years as many doctors retire, according to the latest projections by the authors of the 2011 University of Hilo John A. School of Medicine Workforce Study. Statewide, the projected loss of doctors equates to 41 percent of Hawaii's physicians as they reach retirement age of 65 within the next 10 years. This means Hawaii faces a potential loss of 134 physicians per year as they retire, according to the Workforce Study.

The current and projected shortage of physicians simply means less access to care for Hawaii County residents that already suffer from a disproportionate rate of disease and disability than others in the state. According to the North Hawaii Outcomes Project (2011) these health disparities include:

- Higher Death rates, from
  - Heart disease
  - Stroke
  - Diabetes
  - Overall cancer
  - Infant mortality
  - Suicide
  - Traffic-related accidents

- Lower life expectancy
- Higher teen birth rates
- Higher confirmed child abuse rates

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process. The Program will require \$400,000 per year in order to sustain ongoing operations. Medical residency programs require significant resources, which are not adequately recouped through the provision of health services extended to patients by medical residents. In today's environment of rising healthcare costs and decreased reimbursement, the resulting financial shortfall is more dramatic, particularly when services are rendered to the underinsured.

The Hilo Medical Residency Program is Hawaii Island's best way to alleviate the critical shortage of physicians, as our research tells us that medical residents who train in rural environments overwhelmingly stay and practice in the region.

The Hilo Medical Residency Program intends to incorporate a Patient Centered Medical Home model in the training of physicians. This new approach will train doctors to practice in a manner in which a patient's care is highly coordinated to achieve the best outcomes and to better manage healthcare costs. East Hawaii's early adoption of an electronic medical record system (in place at only 30 percent of hospitals in the nation) is a cornerstone of this training model. In addition, the hospital's participation in the Beacon Community will result in establishing Hilo's program as a highly desirable technology-based rural training option for doctors.

Our goal is to have the Residency Program fully accredited by 2013, and to have the first cohort of four doctors begin the residency in 2014, followed by successive classes of four doctors in each of the program's three years. To achieve this, ongoing State support is needed to operate this program that will dramatically curtail the island's severe shortage of primary care physicians.

I recognize that the Legislature is faced with difficult decisions with the realities of the State's budgetary pressures. However, the healthcare safety net of our community is not something we can afford to lose.

Thank you for the opportunity to testify before these Committees. We would respectfully urge the Committees' support of this measure.

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

February 28, 2012  
Conference Room  
Hawaii State Capitol Room 308

**Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

Ken Wood  
President & CEO  
North Hawaii Community Hospital

On behalf of the North Hawaii Community Hospital (NHCH) and its Board of Directors, thank you for the opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

Hawaii County has a shortage of more than 150 physicians needed to provide adequate levels of access. Moreover, the current physician shortage is expected to more than double in the next 5 years as many doctors retire, according to the latest projections by the authors of the 2011 University of Hawaii John A. Burns School of Medicine Workforce Study. Statewide, the projected loss of doctors equates to 41 percent of Hawaii's physicians as they reach retirement age of 65 within the next 10 years. This means Hawaii faces a potential loss of 134 physicians per year as they retire, according to the Workforce Study.

The current and projected shortage of physicians simply means less access to care for Hawaii County residents that already suffer from a disproportionate rate of disease and disability than others in the state. According to the North Hawaii Outcomes Project (2011) these health disparities include:

- Higher Death rates, from
  - Heart disease
  - Stroke
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  - Infant mortality
  - Suicide
  - Traffic-related accidents
- Lower life expectancy
- Higher teen birth rates
- Higher confirmed child abuse rates

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process. The Program will require \$400,000 per year in order to sustain ongoing operations. Medical residency programs require significant resources, which are not adequately recouped through the provision of health services extended to patients by medical residents. In today's environment of rising healthcare costs and decreased reimbursement, the

resulting financial shortfall is more dramatic, particularly when services are rendered to the underinsured.

The Hilo Medical Residency Program is Hawaii Island's best way to alleviate the critical shortage of physicians, as our research tells us that medical residents who train in rural environments overwhelmingly stay and practice in the region.

The Hilo Medical Residency Program intends to incorporate a Patient Centered Medical Home model in the training of physicians. This new approach will train doctors to practice in a manner in which a patient's care is highly coordinated to achieve the best outcomes and to better manage healthcare costs. East Hawaii's early adoption of an electronic medical record system (in place at only 30 percent of hospitals in the nation) is a cornerstone of this training model. In addition, the hospital's participation in the Beacon Community will result in establishing Hilo's program as a highly desirable technology-based rural training option for doctors.

The goal is to have the Residency Program fully accredited by 2013, and to have the first cohort of four doctors begin the residency in 2014, followed by successive classes of four doctors in each of the program's three years. To achieve this, ongoing State support is needed to operate this program that will dramatically curtail the island's severe shortage of primary care physicians.

As noted above, doctors trained in a rural environment are much more likely to practice in such an environment. We expect the residents trained in Hilo will practice throughout the Neighbor Islands.

Thank you for the opportunity to testify before these Committees. We would respectively urge the Committees' support of this measure.



February 27, 2012



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

**RE: TESTIMONY IN SUPPORT OF HOUSE BILL 2368 FOR A  
MEDICAL RESIDENCY PROGRAM AT UNIVERSITY OF  
HAWAII, HILO**

45-459 Plumeria Street  
Honokaa, HI 96727

Phone: 808.775.7204  
Fax: 808.775.9204

[www.hamakua-health.org](http://www.hamakua-health.org)

Aloha Committee Members:

On behalf of Hamakua Health Center, our Kohala Family Health Center clinic and our Board of Directors and staff, thank you for the opportunity to provide testimony in support of HB 2368. As a federally qualified health center providing primary medical, behavioral and dental health services to the residents of the North Hawaii region of the Island of Hawaii, we are acutely aware of the many problems that are associated with a lack of access to qualified primary care physicians. The continued funding of the Hilo Rural Medical Residency Program is a critical and fundamental component of the set of solutions that will be required to address the current and increasing problems on Hawaii Island and around the state of a severe shortage of primary care physicians.

The essential points of consideration that all support continued funding of this very important training program include the following:

- Access to primary physician care is a key to improving health outcomes for a population suffering from disproportionate rates of disease such as that which we experience in Hawaii County
- Studies clearly show that the majority of physicians who train in rural areas remain to practice in those areas after completing their residency programs
- Hawaii County already has a critical shortage of more than 150 physicians, and this is expected to grow substantially in the next few years due to retirements and relocations of existing physicians
- Funding of the Hilo Residency Program is required for it to sustain itself through the upcoming accreditation process

In closing, please accept our sincere thanks for giving this bill your serious attention and support. Continuation of this funding is critical to the future of the provision of health care services for the residents of the Island of Hawaii.

Mahalo and with kind regards,

Patrick E. Linton, CEO

NAKAMOTO, OKAMOTO & YAMAMOTO  
ATTORNEYS AT LAW, A LAW CORPORATION

ROY K. NAKAMOTO  
ALAN M. OKAMOTO  
JEREL I. YAMAMOTO  
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ALAN@NOYHAWAII.COM

February 27, 2012

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

Re: Support for HB 2368 Medical Residency Program

Dear Representatives:

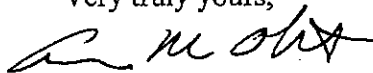
I am writing to strongly urge that you adopt this bill. As a former director of the East Hawaii Region of HHSC, I became aware of a critical shortage of family practice physicians in the rural areas of Hawaii such as the East Hawaii Region. It is difficult to attract new physicians into these areas, especially if they have to relocate their families from other parts of the country. While there are dedicated family practice physicians who have served our community for many years, we do not have replacements for them as they retire. We are also seeing increasing demands on our physicians because of the aging of our population. For our older residents, access to physicians on a regular basis is critical to maintaining their health.

The administration and board of the East Hawaii Region thoroughly explored the alternatives to attract more family practice physicians. After extensive investigation and discussions with physicians and health care professionals in our community, there was consensus that the most productive means of improving the situation would be a hospital based family practice residency program in conjunction with the John A. Burns School of Medicine. A quality internship program is a proven means of attracting young physicians into a community and this program will give physicians who grew up in Hawaii, as well as those from other states, an opportunity to start their medical careers in a rural community.

Hilo Medical Center already participates with the University of Hawaii at Hilo in its ongoing programs for nursing and pharmacy so there is a long term commitment to assist in the development of health care professionals for Hawaii residents. The focus throughout has been to help in establishing quality programs which would benefit both the community and the participating interns. The adoption of this bill would be a critical part in providing our community with critical medical services.

Thank you for the opportunity to comment on this bill.

Very truly yours,



Alan M. Okamoto

February 28, 2012

**House Committee on Finance**  
**Representative Marcus R. Oshiro, Chair**  
**Representative Marilyn B. Lee, Vice Chair**  
Conference Room  
Hawaii State Capitol Room 308

**RE: Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.**

As a resident of East Hawaii, I am greatly concerned of the lack of physicians in our community. This has been an ongoing problem since I moved here from Oahu in 1999 and found difficulty finding a physician. Understanding that this problem will grow over the next several years when many of our physicians will reach retirement, I am especially concerned for my family's future (I now have a 16 month old daughter).

I believe the Medical Residency Program (MRP) is an excellent way for us to help address the physician shortage issue but we need your support and we need it now. I ask for your support of HB 2368 that authorizes appropriation of funds for the MRP at University of Hawaii, Hilo, for fiscal year 2012-2013.

State funding of the Hilo MRP is critically needed now to ensure the program is sustained through its accreditation process. The Program will require \$400,000 per year in order to sustain ongoing operations. Medical residency programs require significant resources, which are not adequately recouped through the provision of health services extended to patients by medical residents. In today's environment of rising healthcare costs and decreased reimbursement, the resulting financial shortfall is more dramatic, particularly when services are rendered to the underinsured.

I believe the Hilo MRP is Hawaii Island's best way to alleviate the critical shortage of physicians, as doctors trained in a rural environment are much more likely to practice in such an environment. We expect the residents trained in Hilo will practice throughout the Neighbor Islands.

To achieve this, ongoing State support is needed to operate this program that will dramatically curtail the island's severe shortage of primary care physicians.

Thank you for the opportunity to testify. I respectfully urge your support of this measure.

Sincerely,

Amy Honda

To: House Committee on Health  
Representative Ryan I. Yamane, Chair

House Committee on Finance  
Representative Marcus Oshiro, Chair

From: Dennis Boyd, Kapaa resident ([dennis@centen.net](mailto:dennis@centen.net) ; 808-884-5621)

**RE: Support for HB 2368, UH Family Practice Residency Program – a first step towards sustainable health care delivery on the Big Island**

February 21, 2012

I am glad to hear that funding for the UH Family Practice Residency Program is again before the legislature and I urge you to take this opportunity to provide funding for this program. I know that money is tight for the state, but I believe that **Hawaii cannot not afford to take this step.**

**Relative to the financial concerns of the House Committee on Finance:**

There is a lot of talk and concern in the media and in our communities about Hawaii becoming at least partially self sustaining in energy, agriculture, job development, etc. These are all highly desirable goals, but I think a lot of the talk about these issues “misses the boat” without commensurate consideration being paid to the basic levels of health care that other Americans take for granted; in particular my concern here is for the island of Hawaii. **There is no way that the Big Island can contribute to the state becoming self or partly sustainable as a part of 21<sup>st</sup> century America with the level of healthcare that now exists here.** We will not be able to attract the mainland professionals we need or retain the local professionals we train, if those people, who are key to helping us reach our goals, feel insecure in meeting their family’s health care needs locally. You can’t have a sustaining economy if you have to ship the sick people out to either the mainland or to another island for some pretty basic health concerns. That’s not even partially self sustaining, that’s colonial.

**Relative to the health care concerns of the House Committee on Health:**

As a relatively new Big Island resident who has recently had to search for health care, I have been shocked by the shortage of health care providers available to me and my family. My further inquiry into this led to my awareness of some truly alarming health statistics. Hawaii Island has higher infant mortality, lower levels of prenatal care, and higher rates of smoking, breast cancer, diabetes, stroke and coronary heart disease death rates than the rest of the state (North Hawaii Outcomes Project, 2010). On top of this depressing health profile, Hawaii county has a current supply/demand shortage of 179 total physicians and 58 primary care physicians (UH John A. Burns School of Medicine, 2011). And the last nail in the coffin of health care access is that **32% of the already limited population of Big Island physicians plan on ending their practices within the next 5 years** (Hawaii Tribune Herald, February 2012).

I’ve heard it said, that although it may seem that way, the Big Island is not really the third world in our health care delivery, we’re more like “world 2.5”. We’d certainly be well on our way to a decline to real third world status in this area if no action is taken to improve health care access in the immediate future. Please support UH’s Family Practice Residency Program – for all sorts of reasons it provides the momentum we need to begin to help ourselves with our health care problems.

Thank you.

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TORKILDSON, KATZ, MOORE,  
HETHERINGTON & HARRIS

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NEWTON J. CHU  
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E-MAIL: NEWTONC@TORKILDSON.COM

February 28, 2012

Via U.S. Mail and Facsimile

House Committee on Finance  
Representative Marcus R. Oshiro, Chair  
Representative Marilyn B. Lee, Vice Chair  
Hawaii State Capitol Room 308  
Honolulu, HI

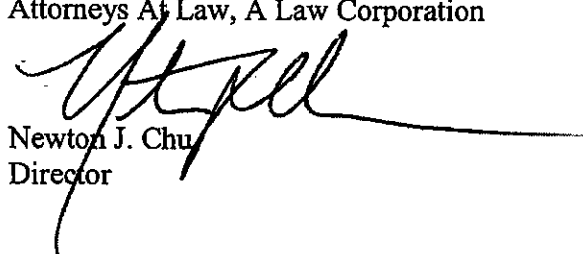
Re: Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo for fiscal year 2012-2013 under programs ID UOH 210

Dear Gentlemen:

As a resident of East Hawaii, I am appreciative of the opportunity to urge the Committees' support of HB 2368. As a Professional and parent, I urge your support for funding of the Big Island Rural Interdisciplinary Residency Program. As you know, East Hawaii is a medically underserved population. This program will help us attract and retain physicians for East Hawaii. Thank you.

Very truly yours,

TORKILDSON, KATZ, MOORE,  
HETHERINGTON & HARRIS  
Attorneys At Law, A Law Corporation



Newton J. Chu  
Director

## **TESTIMONY**

**To: House Committee on Finance**  
The Hon. Marcus R. Oshiro, Chair  
The Hon. Marilyn B. Lee, Vice Chair

**Testimony in Support of House Bill 2368**  
**Relating to the University of Hawaii at Hilo**  
**Tuesday, February 28, 2012                      1:00 p.m. Room 308 State Capitol**  
Submitted by Susan B. Hunt, MHA

Thank you for the opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Family Practice Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

I speak in support of HB2368 as an East Hawaii Regional Board Member, the former CEO of the Hamakua Health Center, a member of the Hawaii Island Healthcare Alliance and as the CEO of the Hawaii Island Beacon Community. I understand first-hand how difficult it is to recruit and retain primary care physicians in rural communities and the impact that the shortage of primary care physicians is having on access to care on Hawaii Island.

The physician shortage on Hawaii Island has been well documented. Survey results indicate that we will lose 32% of our physicians in the next five years. I believe the Rural Family Practice Residency Program is one of the best ways to alleviate the critical shortage of primary care physicians. It is well documented that primary care residents who train in rural communities typically stay and practice in those communities.

Currently, the Rural Family Practice Residency Program is preparing its application for accreditation by the Accreditation Council for Graduate Medical Education. Preparation of the application entails ensuring myriad components of the curriculum, preceptors from the physician community, and all related aspects of training are in place. Once accredited, which we anticipate will occur during 2013, the program will enroll its first cohort of four doctors to begin their residency in 2014. This class will be followed by successive classes of four doctors in each of program's three years.

State funding of the Rural Family Practice Residency Program is critically needed now to ensure the program is sustained through its accreditation process and will require \$400,000 per year in order to sustain ongoing operations. Operating a Family Practice Residency Program requires supplemental financing because reimbursement for services to patients does not adequately cover the amount of resources required to operate the program.

It is essential that we work collaboratively at many levels to ensure that our citizens have access to physicians and quality healthcare through training, financing, and support at the local level. We have a unique opportunity through the alignment of Hilo Medical Center and the University of Hawaii School of Medicine to offer family practice residents an opportunity to live and work on Hawaii Island. For these reason I request your support of HB2368.

February 27, 2012



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

**RE: TESTIMONY IN SUPPORT OF HOUSE BILL 2368 FOR A  
MEDICAL RESIDENCY PROGRAM AT UNIVERSITY OF  
HAWAII, HILO**

45-459 Plumeria Street  
Honokaa, HI 96727

Phone: 808.775.7204  
Fax: 808.775.9204

[www.hamakua-health.org](http://www.hamakua-health.org)

Aloha Committee Members:

On behalf of Hamakua Health Center, our Kohala Family Health Center clinic and our Board of Directors and staff, thank you for the opportunity to provide testimony in support of HB 2368. As a federally qualified health center providing primary medical, behavioral and dental health services to the residents of the North Hawaii region of the Island of Hawaii, we are acutely aware of the many problems that are associated with a lack of access to qualified primary care physicians. The continued funding of the Hilo Rural Medical Residency Program is a critical and fundamental component of the set of solutions that will be required to address the current and increasing problems on Hawaii Island and around the state of a severe shortage of primary care physicians:

The essential points of consideration that all support continued funding of this very important training program include the following:

- Access to primary physician care is a key to improving health outcomes for a population suffering from disproportionate rates of disease such as that which we experience in Hawaii County
- Studies clearly show that the majority of physicians who train in rural areas remain to practice in those areas after completing their residency programs
- Hawaii County already has a critical shortage of more than 150 physicians, and this is expected to grow substantially in the next few years due to retirements and relocations of existing physicians
- Funding of the Hilo Residency Program is required for it to sustain itself through the upcoming accreditation process

In closing, please accept our sincere thanks for giving this bill your serious attention and support. Continuation of this funding is critical to the future of the provision of health care services for the residents of the Island of Hawaii.

Mahalo and with kind regards,

Patrick E. Linton, CEO



House Committee on Finance  
Rep. Marcus Oshiro, Chair

Re: HB 2368  
UHH Medical Residency Program Funding

Testimony in support

Aloha, Chairman Oshiro and members of the Committee:

I urge your favorable passage of HB 2368. It is sad, indeed, that an island as grand as ours is plagued by health issues that are often treatable or avoidable.

The interdisciplinary team approach, best-practices model of the Residency Program means we will see medical care delivered in new ways to rural areas—ways that fit the geography and lifestyles of our people.

Hawaii Island is working hard in health care. Our Mayor has pulled business and healthcare leaders together in a task force to advance understanding of the challenges and needs; the Beacon Community Program seeks to improve health care. These efforts need the support of trained doctors who understand rural needs and new modalities.

Please provide the funding needed to carry this mission.

Barbara A. Hastings  
Business owner/ Hawaii Island and Oahu  
Hastings & Pleadwell: A Communication Company  
bah@hastingsandpleadwell.com



House Committee on Finance  
The Honorable M. Oshiro, Chairman  
The Honorable M. Lee, Co-chair

February 12, 2012

Honorable Chairmen and Committee Members:

**In support of HB-2368:** sustaining a Family Medicine Residency Program based in Hilo, Hawaii.

The state of Hawai'i must find the resources to create and sustain a Family Medicine Residency program in Hilo. The state of Hawaii, especially rural Hawaii, must produce physicians to provide primary health care services to the entire population. O'ahu thinking cannot prevail in this regard. Selecting physician candidates who will choose to remain and serve our rural populations is imperative. Training them in Hilo will offer the most assurance that they will remain in rural Hawai'i to provide health services to the people who need those services most.

This need for primary care physicians is not unique to Hawaii. What is unique is Hawaii's state government not being able to somehow find the means to sustain a rural residency program. Look about the country, there are Family Medicine Residency programs in every state, based in rural venues; WHY NOT HAWAII?

It is time to set the proper priorities. Times are difficult, but money invested now will help to assure that services will be available in the future. The core of our rural physician community is aging, and will soon need replacing. Please help to create and sustain the Family Practice residency program in Hilo.

Thank you for this opportunity to support HB-2368.

Dan Domizio PA, MPH

Clinical Programs Director  
Puna Community Medical Center  
Pahoa, Hawai'i

# TESTIMONY

Testimony to the House Committee on Finance

Tuesday, February 28, 2012  
1:00 P.M.

Conference Room 308, State Capitol

**RE: HOUSE BILL NO. 2368 RELATING TO REQUESTING APPROPRIATION OF FUNDS FOR THE MEDICAL RESIDENCY PROGRAM AT UNIVERSITY OF HAWAII AT HILO FOR FISCAL YEAR 2012 – 2013 UNDER PROGRAM ID UOH 210.**

Finance Committee Chair: Rep. Marcus R. Oshiro  
Finance Committee Vice-Chair: Rep. Marilyn B. Lee  
Finance Committee Members

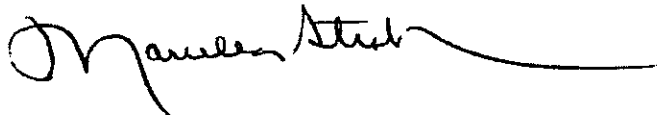
My name is MARCELLA STROH; I am presently a Vice-President of Central Pacific Bank, Hilo Branch and I am currently the Executive Secretary of the Hilo Medical Center Foundation. I respectfully request that H.B. 2368 relating to requesting the appropriation of funds for the Medical Residency Program be approved due to the critical and urgent needs of medical Physicians and Specialists here in East Hawaii and also its' many rural communities through out Hawaii Island. Some critical issues we are facing and why we seek your approval of ensuring access to health services and the quality of these services very seriously here:

- A majority of the present medical physicians here will be retiring, which will put the Big Island in a urgent situation going forward. = 41% loss in the next 10 years.
- Shortage of more then 150 physicians has been identified on Hawaii Island alone.
- Workforce study/survey shows losing 134 physicians per year as they retire.
- Serves as an interdisciplinary training ground for nursing and pharmacy students both from UH Hilo and UH Manoa, thereby strengthening community capacity and work force development here.
- Recommending that the funds be redirected to the Hilo Medical Center rather than the University of Hawaii at Hilo.
- Sustainability for the Accreditation Process (2 years process) of this program needed.
- \$400,000 per year is needed just for the operational existence and maintenance.

These are critical times, and I humbly ask that you consider and support this urgent need of approving H.B. 2368 since our Community and its' people cannot continuously afford to travel to our Neighboring Islands for Healthcare services. This is crucial as primary care is vital to improving health services and reducing the health disparities that we face here.

Thank you for the opportunity to submit written testimony.

Warmest Aloha - Marcella Stroh



## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Sunday, February 26, 2012 1:25 PM  
**To:** FINTestimony  
**Cc:** tricias69@hawaiiantel.net  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Patricia Shillingford  
Organization: Individual  
E-mail: [tricias69@hawaiiantel.net](mailto:tricias69@hawaiiantel.net)  
Submitted on: 2/26/2012

**Comments:**

I support HB2368. We need more doctors and the residency program will help with this problem.

## **FINTestimony**

---

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 26, 2012 11:05 AM  
**To:** FINTestimony  
**Cc:** lauer@hawaiiantel.net  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Suzanne Lauer  
Organization: Individual  
E-mail: [lauer@hawaiiantel.net](mailto:lauer@hawaiiantel.net)  
Submitted on: 2/26/2012

**Comments:**

I am unable to attend this hearing But I fully support HB2368 the Medical Residency Program. We are desperately in need of doctors, this program is a big step to solve this urgent problem for our community.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 26, 2012 8:53 AM  
**To:** FINTestimony  
**Cc:** ulua3@hotmail.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: John Stevenson  
Organization: Individual  
E-mail: [ulua3@hotmail.com](mailto:ulua3@hotmail.com)  
Submitted on: 2/26/2012

**Comments:**

I am for the 4th year the chairman of our rotary clubs fund raiser. We as a club (Rotary club of South Hilo) fully support the Residency Program, and have done so for 4 events (including this years event).

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**sent:** Monday, February 27, 2012 8:56 AM  
**To:** FINTestimony  
**Cc:** jtulang@hawaii.rr.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Julie Tulang  
Organization: Hilo Medical Center Foundation  
E-mail: [jtulang@hawaii.rr.com](mailto:jtulang@hawaii.rr.com)  
Submitted on: 2/27/2012

**Comments:**

We suggest that the fund allocated by directed to Hilo Medical Center.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 3:10 PM  
**To:** FINTestimony  
**Cc:** jm@jwmabio.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Jeff Morgan  
Organization: Individual  
E-mail: [jm@jwmabio.com](mailto:jm@jwmabio.com)  
Submitted on: 2/27/2012

Comments:  
Please ensure that this passes. We need to encourage physicians to work in Hilo.



## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 10:08 AM  
**To:** FINTestimony  
**Cc:** RWSurber@aol.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Robert Surber  
Organization:  
E-mail: [RWSurber@aol.com](mailto:RWSurber@aol.com)  
Submitted on: 2/27/2012

**Comments:**

Aloha Finance Committee Members,

I am writing as a health and humans services consultant in Kea'au on the Big Island. In all of my work with numerous organizations in Hawaii County, I encounter people of all ages and economic backgrounds whose health outcomes, and, therefore, quality of life, are poorer because of a lack of access to healthcare services, and particularly to physicians.

This healthcare crisis is further evidenced by a Hawai'i Herald Tribunes lead article last week that reported on a national study that found that Hawai'i County residents are the unhealthiest in the state. One of the causes of this situation is a shortage of physicians and other healthcare providers. A December 2010 report to the Hawai'i State Legislature by John A. Burns School of Medicine, entitled Hawai'i Physician Workforce, demonstrated that this shortage will increase unless immediate action is taken. The Hilo Medical Center Rural Family Practice Residency Program is described as one of the necessary solutions. This program is designed to train family practice physicians and other healthcare providers on the Big Island. It is well documented that healthcare providers are most likely to practice in the area where they received their training.

Therefore, I encourage you to fully support HB2368 because it provides necessary support for the development and continuation of this essential program. I understand the challenging fiscal environment the state government is facing. However, I believe that this is a small investment that will have significant long-term benefits for the health of our community, and for the delivery of cost-effective healthcare for our residents.

Robert Surber

Robert Surber & Associates  
Enhancing Performance & Improving Outcomes For Health & Human Services 15-980  
Paradise Ala Kai Dr. A7, Kea'au HI 96749  
Tel: 808.982.7530  
E-mail: [RWSurber@aol.com](mailto:RWSurber@aol.com)  
Web: [www.RobertSurber.com](http://www.RobertSurber.com)

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 6:41 PM  
**To:** FINTestimony  
**Cc:** mizunob001@hawaii.rr.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Barry Mizuno  
Organization: Individual  
E-mail: [mizunob001@hawaii.rr.com](mailto:mizunob001@hawaii.rr.com)  
Submitted on: 2/27/2012

**Comments:**

Representative Oshiro and Members:

Please support the funding of the Hilo Residency Program. It is a much needed program and will hopefully diminish our doctor shortage problem here on Hawaii Island.

I urge your support of this bill and thank you very much.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 6:20 PM  
**To:** FINTestimony  
**Cc:** jimkennedy@hawaii.rr.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: James R. Kennedy, PhD  
Organization: Individual  
E-mail: [jimkennedy@hawaii.rr.com](mailto:jimkennedy@hawaii.rr.com)  
Submitted on: 2/27/2012

Comments:  
Aloha!

It is no secret that the shortage practicing physicians on Hawai'i Island has reached crisis levels, and it's growing worse.

This came home to myself and my family personally just a few years ago, when our family physician of many years had to give up family practice due to a serious latex allergy.

Even though a long-time resident of Hilo, we found it very difficult to find another physician to take over our family's care. We found that doctor after doctor was not accepting new patients, because they were already overbooked.

When we finally did find a doctor willing to accept us, very shortly thereafter he gave up practicing at the local hospital, due to the rising cost of liability insurance for in-patient care.

So, while we now have a physician for routine check ups, if any of us required hospitalization, it is off to the ER to stand in line and into the hands of strangers. This has happened to us twice in the last five years.

The Hilo Residency Program is much more than a short-term bandaid on this problem. While it does indeed make qualified medical far more accessible than it has been the last few years, especially for new comers and lower income families, it is a key element in a deliberate community plan to provide early-career physicians an opportunity to experience practicing medicine in this lovely place, with the expectation that a higher percentage of UH Medical School trainees will choose to come here to practice in the long term, after their residencies.

Many of us -- people and organizations -- have provided out-of-pocket funding to help support the Residency Program thus far, but we cannot do it alone.

Continued funding of this program is critical to the long-term health and safety of our families.

Please help us realize this solution to a problem that is edging on getting desperate.

Mahalo nui,

James R. Kennedy, PhD  
PO Box 1939  
Hilo, HI 96721

Vice Chair, Hawai'i Island Workforce Investment Board Past President, Hawai'i Island Chamber of Commerce Associate Director, Gemini Observatory - Now Retired

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 7:59 PM  
**To:** FINTestimony  
**Cc:** mikeshawaii@yahoo.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Michael Goldstein  
Organization: Individual  
E-mail: [mikeshawaii@yahoo.com](mailto:mikeshawaii@yahoo.com)  
Submitted on: 2/27/2012

**Comments:**

The problems are serious. We can not afford more parks and infrastructure that can't be maintained. The priority's of the people of the Big Island must be addressed and one of the main concerns facing our community are health care and the lack of Doctors and Medical Professionals needed to provide these necessary services. With limited funds it is imperative that priorities be set and met. This measure needs to be passed.

## FINTestimony

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From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 27, 2012 10:08 AM  
To: FINTestimony  
Cc: RWSurber@aol.com  
Subject: Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Robert Surber  
Organization:  
E-mail: [RWSurber@aol.com](mailto:RWSurber@aol.com)  
Submitted on: 2/27/2012

### Comments:

Aloha Finance Committee Members,

I am writing as a health and humans services consultant in Kea'au on the Big Island. In all of my work with numerous organizations in Hawaii County, I encounter people of all ages and economic backgrounds whose health outcomes, and, therefore, quality of life, are poorer because of a lack of access to healthcare services, and particularly to physicians.

This healthcare crisis is further evidenced by a Hawai'i Herald Tribunes lead article last week that reported on a national study that found that Hawai'i County residents are the unhealthiest in the state. One of the causes of this situation is a shortage of physicians and other healthcare providers. A December 2010 report to the Hawai'i State Legislature by John A. Burns School of Medicine, entitled Hawai'i Physician Workforce, demonstrated that this shortage will increase unless immediate action is taken. The Hilo Medical Center Rural Family Practice Residency Program is described as one of the necessary solutions. This program is designed to train family practice physicians and other healthcare providers on the Big Island. It is well documented that healthcare providers are most likely to practice in the area where they received their training.

Therefore, I encourage you to fully support HB2368 because it provides necessary support for the development and continuation of this essential program. I understand the challenging fiscal environment the state government is facing. However, I believe that this is a small investment that will have significant long-term benefits for the health of our community, and for the delivery of cost-effective healthcare for our residents.

Robert Surber

Robert Surber & Associates  
Enhancing Performance & Improving Outcomes For Health & Human Services 15-980  
Paradise Ala Kai Dr. A7, Kea'au HI 96749  
Tel: 808.982.7530  
E-mail: [RWSurber@aol.com](mailto:RWSurber@aol.com)  
Web: [www.RobertSurber.com](http://www.RobertSurber.com)

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**sent:** Monday, February 27, 2012 2:02 PM  
**to:** FINTestimony  
**Cc:** patrick\_naughton@hotmail.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Patrick Naughton  
Organization: Individual  
E-mail: [patrick\\_naughton@hotmail.com](mailto:patrick_naughton@hotmail.com)  
Submitted on: 2/27/2012

**Comments:**

Recruiting and retaining physicians is very difficult on the Big Island, this bill will allow new doctors to do their residency in Hilo and put down roots in the community thus increasing their chances of staying on island. Even if they move on, their presence here for several years will contribute to an increased level of medical services and interaction with the community as a whole.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 9:51 PM  
**To:** FINTestimony  
**Cc:** robertachu@hawaii.rr.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Roberta Chu  
Organization: Individual  
E-mail: [robertachu@hawaii.rr.com](mailto:robertachu@hawaii.rr.com)  
Submitted on: 2/27/2012

### Comments:

House Committee on Finance  
Representative Marcus R. Oshiro, Chair  
Representative Marilyn B. Lee, Vice Chair February 28, 2012

### Conference Room

Hawaii State Capitol Room 308  
Testimony Supporting House Bill 2368, relating to appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013 under program ID UOH 210.

Roberta Chu  
Resident of Hilo, Hawaii and concerned individual

Thank you for the opportunity to present testimony in strong support of HB 2368 that authorizes appropriation of funds for the Medical Residency Program at University of Hawaii, Hilo, for fiscal year 2012-2013.

With the on-going support of the Legislature, the East Hawaii Region of HHSC continues to serve the healthcare needs of Hawaii County's growing population as a State Safety Net facility. The Region encompasses Hilo Medical Center (HMC), its long-term care facility and outpatient specialty clinics, Critical Access Hospitals in Ka'u and Honoka'a, as well as the Yukio Okutsu State Veterans Home.

As the largest hospital on the island, HMC serves the needs of its patients, regardless of their financial status or ability to pay. A network of primary care physicians that is adequate to meet the needs of the East Hawaii population is critical to the provision of services at the Region's facilities.

Hawaii County has a shortage of more than 150 physicians needed to provide adequate levels of access. Moreover, the current physician shortage is expected to more than double in the next 5 years as many doctors retire, according to the latest projections by the authors of the 2011 University of Hawaii John A. Burns School of Medicine Workforce Study. Statewide, the projected loss of doctors equates to 41 percent of Hawaii's physicians as they reach retirement age of 65 within the next 10 years. This means Hawaii faces a potential loss of 134 physicians per year as they retire, according to the Workforce Study. The current and projected shortage of physicians simply means less access to care for Hawaii County residents that already suffer from a disproportionate rate of disease and disability than others in the state.



According to the North Hawaii Outcomes Project (2011) these health disparities include:

- Higher Death rates, from
  - Heart disease
  - Stroke
  - Diabetes
  - Overall cancer
  - Infant mortality
  - Suicide
  - Traffic-related accidents
- Lower life expectancy
- Higher teen birth rates
- Higher confirmed child abuse rates

State funding of the Hilo Medical Residency Program is critically needed now to ensure the program is sustained through its accreditation process. The Program will require \$400,000 per year in order to sustain ongoing operations. Medical residency programs require significant resources, which are not adequately recouped through the provision of health services extended to patients by medical residents. In today's environment of rising healthcare costs and decreased reimbursement, the resulting financial shortfall is more dramatic, particularly when services are rendered to the underinsured.

The Hilo Medical Residency Program is Hawaii Island's best way to alleviate the critical shortage of physicians, as doctors trained in a rural environment are much more likely to practice in such an environment.

The Hilo Medical Residency Program intends to incorporate a Patient Centered Medical Home model in the training of physicians. This new approach will train doctors to practice in a manner in which a patient's care is highly coordinated to achieve the best outcomes and to better manage healthcare costs. East Hawaii's early adoption of an electronic medical record system (in place at only 30 percent of hospitals in the nation) is a cornerstone of this training model. In addition, the hospital's participation in the Beacon Community will result in establishing Hilo's program as a highly desirable technology-based rural training option for doctors.

The goal is to have the Residency Program fully accredited by 2013, and to have the first cohort of four doctors begin the residency in 2014, followed by successive classes of four doctors in each of the program's three years. To achieve this, ongoing State support is needed to operate this program that will dramatically curtail the island's severe shortage of primary care physicians.

Thank you for the opportunity to testify before these Committees. We would respectively urge the Committees' support of this measure.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 26, 2012 10:39 PM  
**To:** FINTestimony  
**Cc:** aclevin@hawaii.edu  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: andrew levin  
Organization: Individual  
E-mail: [aclevin@hawaii.edu](mailto:aclevin@hawaii.edu)  
Submitted on: 2/26/2012

**Comments:**

Hawaii faces a critical workforce shortage in healthcare. It is bad now, and is projected to get much worse, especially in rural areas of the State.

The establishment of a rural residency program has been identified by the experts as one of the most effective ways to attract providers to live and practice in underserved areas. The entire Big Island healthcare community has therefore joined in the effort, but we need your help and support. Please help fund this critical program. Thank you.

Respectfully submitted,  
Andy Levin

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 26, 2012 12:04 PM  
**To:** FINTestimony  
**Cc:** vpost@hawaii.rr.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: VERNA POST  
Organization: Individual  
E-mail: [vpost@hawaii.rr.com](mailto:vpost@hawaii.rr.com)  
Submitted on: 2/26/2012

Comments:  
Support HB 2368

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 1:44 PM  
**To:** FINTestimony  
**Cc:** KIMBERLY.SHIMABUKU@GGP.COM  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: KIMBERLY SHIMABUKU  
Organization: Individual  
E-mail: [KIMBERLY.SHIMABUKU@GGP.COM](mailto:KIMBERLY.SHIMABUKU@GGP.COM)  
Submitted on: 2/27/2012

Comments:

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Monday, February 27, 2012 2:01 PM  
**fo:** FINTestimony  
**Cc:** alan.shiraishi@boh.com  
**Subject:** Testimony for HB2368 on 2/28/2012 1:00:00 PM

Testimony for FIN 2/28/2012 1:00:00 PM HB2368

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: alan shiraishi  
Organization: bank of hawaii  
E-mail: [alan.shiraishi@boh.com](mailto:alan.shiraishi@boh.com)  
Submitted on: 2/27/2012

**Comments:**

I wholeheartedly support this measure for the future of our community.