

HB2368 HD1

Relating to the University
of Hawaii at Hilo
EDU, WAM



HILO MEDICAL CENTER FOUNDATION

PRESIDENT
Dawn Pung

VICE PRESIDENT
Julie Tulang

SECRETARY
Marcella Stroh

TREASURER
Valerie Peralto

TRUSTEES

Puna Belcher
Carolyn Blankfield
Representative Jerry Chang
Beverly Dodo
Lynda Dolan, M.D.
Chuck Erskine
Steve Godzsak
Amy Hamane
Kathy Hirayama
Charmaine Ka-Ipo
Brad Kinoshita
Fred Koehnen
June Kunimoto
Phoebe Lambeth
Garry Maeda
Monika Mallick
Steve Morrison, M.D.
Hoon Park, M.D.
Jon Patterson
Dr. John Pezzuto
Dean – UH College of Pharmacy
Richard Robbins, M.D.
Marie Ruhland
Michael Seu, M.D.
Peter Tadaki
Christine Takahashi
Representative Clifton Tsuji

**EXECUTIVE
DIRECTOR**
Lori Rogers

Senate Committee on Education
Senator Jill N. Tokuda, Chair

Hearing
March 14, 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 Tokuda and Members of this Committee:

Hilo Medical Center Foundation is a 501(c)(3) non-profit organization founded in 1995.

Our mission statement is *“to support the Hilo Medical Center with projects that benefit the greater community”*. All thirty members of the Board of Trustees sincerely appreciate this opportunity to present testimony in support of HB 2368 that authorizes appropriation of funds for the (Hilo) Medical Residency Program at the University of Hawaii at 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 \$300,000 per year in order to sustain ongoing operations. We are hopeful that medical residents who participate in the Hilo Medical Residency Program will be enriched further through their residency experience, sense the “aloha” from our community and ultimately want to practice medicine in Hilo, or in a rural communities throughout the Hawaii Island.



HILO MEDICAL CENTER FOUNDATION

PRESIDENT
Dawn Pung

VICE PRESIDENT
Julie Tulang

SECRETARY
Marcella Stroh

TREASURER
Valerie Peralto

TRUSTEES

Puna Belcher

Carolyn Blankfield

Representative Jerry Chang

Beverly Dodo

Lynda Dolan, M.D.

Chuck Erskine

Steve Godzsak

Amy Hamane

Kathy Hirayama

Charmaine Ka-Ipo

Brad Kinoshita

Fred Koehnen

June Kunimoto

Phoebe Lambeth

Garry Maeda

Monika Mallick

Steve Morrison, M.D.

Hoon Park, M.D.

Jon Patterson

Dr. John Pezzuto

Dean – UH College of Pharmacy

Richard Robbins, M.D.

Marie Ruhland

Michael Seu, M.D.


Peter Tadaki


Christine Takahashi

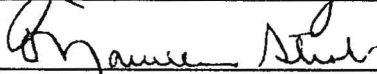
Representative Clifton Tsuji

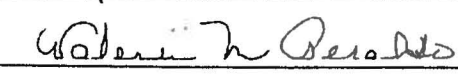
The Foundation and the Hawaii Island Community has supported the Hilo Medical Residency Program financially, and with countless volunteer hours. The critical issue of the lack of physicians and supporting medical personnel in these rural areas are long-standing issues since the decline of the sugar industry. The Hilo Medical Residency Program will not only be beneficial to the East side's growing population, but also for the many other rural communities throughout Hawaii Island. Hilo Medical Center has taken on the challenge and responsibility to get this Hilo Medical Residency Program accredited, and the Foundation supports that effort. All thirty trustees have in some form or another gotten some kind of feedback from their families, friends, and associates in regards to this very critical shortage of primary care physicians, consequently:


We, the Trustees of the Hilo Medical Center Foundation Board unanimously support HB 2368, relating to the appropriation of funds for the (Hilo) Medical Residency Program. Thank you for the opportunity to submit testimony on House Bill 2368.

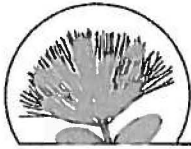

Dawn Pung, President


Julie Tulang, Vice-President


Marcella Stroh, Secretary


Valerie Peralto, Treasurer


Phoebe Lambeth, Trustee



HILO MEDICAL CENTER FOUNDATION

PRESIDENT

Dawn Pung

VICE PRESIDENT

Julie Tulang

SECRETARY

Marcella Stroh

TREASURER

Valerie Peralto

TRUSTEES

Puna Belcher

Carolyn Blankfield

Representative Jerry Chang

Beverly Dodo

Lynda Dolan, M.D.

Chuck Erskine

Steve Godzsak

Amy Hamane

Kathy Hirayama

Charmaine Ka-Ipo

Brad Kinoshita

Fred Koehnen

June Kunimoto

Phoebe Lambeth

Garry Maeda

Monika Mallick

Steve Morrison, M.D.

Hoon Park, M.D.

Jon Patterson

Dr. John Pezzuto

Dean – UH College of Pharmacy

Richard Robbins, M.D.

Marie Ruhland

Michael Seu, M.D.

Peter Tadaki

Christine Takahashi

Representative Clifton Tsuji

EXECUTIVE

DIRECTOR

Lori Rogers

June Kunimoto

Trustee

Lori Rogers



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

"Touching Lives Everyday"

SENATE COMMITTEE ON EDUCATION
Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Tuesday, March 14, 2012
Conference Room 225
1:15 p.m.
Hawaii State Capitol

Testimony Supporting House Bill 2368, HD1, Relating to the University of Hawaii at Hilo; Appropriation. Appropriates funds for a medical residency program at the University of Hawaii at Hilo. Effective July 1, 2050.

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.

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

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

Testimony Supporting House Bill 2368, HD1 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

HAWAII HEALTH SYSTEMS CORPORATION

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 that 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 respectively urge the Committees' support of this measure.

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

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

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.

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

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

Testimony Supporting House Bill 2368, HD1 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"

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

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"

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

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.

HAWAII HEALTH SYSTEMS CORPORATION

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"

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

Wednesday, March 14, 2012
State Capitol Room 225

Support of House Bill 2368 **Boyd Murayama, Medical Group Practice Director HHSC East Hawaii Region**

As Medical Group Practice Director for HHSC East Hawaii Region, I want to express my strong support of HB 2368 and ask the Committee to also support this Bill.

Hilo Medical Center (HMC) has continued its financial support of the Rural Family Practice Residency Program as it represents the most viable option to increase the number of primary care providers in Hawaii County. Many rural states support primary care residency programs with consistent funding because of the return on investment. This is seen in financial and human terms:

- Increasing the number of family practice physicians is expected to decrease the number and rate of potentially avoidable hospitalizations. It is well documented that hospitalizations and Emergency Room visits decrease with improved access to quality primary care. HMC operates the second busiest Emergency Room in the state, with more than 40,000 patient visits annually. As the largest hospital on the island, HMC serves the needs of its patients, regardless of their financial status or ability to pay. Hawaii County has the most severe primary care shortage of all the counties. (Source: Hawaii Physician Workforce Study 2011)
- The known economic multiplier effect of additional physicians in Hawaii means each additional physician is expected to generate 5 new jobs and new tax revenue. (Source: The Lewin Group)
- Residency programs reliably increase the number of practicing physicians in the location of the residency program.

Funding HB2368 will benefit the state economically as well as the people of Hawaii Island.

Currently, the 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.

I strongly urge your support of HB 2368.

Senate Committee on Education
Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair

March 14, 2012
Conference Room 225
Hawaii State Capitol
415 South Beretania Street

Testimony Supporting HB 2368 HD1, 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.

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 HD1 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.

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

COMMITTEE ON EDUCATION

Senator Jill N. Tokuda, Chair

Senator Michelle N. Kidani, Vice Chair

RE: Hawaii Island Healthcare Alliance strongly supports HB 2368 HD1

We understand that when resources are scarce, spending needs to be based on expected return on investment. Many rural states support primary care residency programs with consistent funding, because of the return on investment from supporting professional education.

On behalf of the Hawaii Island Healthcare Alliance, I strongly urge you to support HB2368 which appropriates funds for the UH Rural Family Practice Residency Program in Hilo, because of the clear need and because the residency program is expected to yield a substantial return on investment for the state. Investing in training family practice residents on Hawaii Island is expected to yield a meaningful return on investment because:

- Residency programs reliably increase the number of practicing physicians in the location of the residency program. (80% of residents practice near where they train.)
- Increasing the number of family practice physicians is expected to decrease the number and rate of “potentially avoidable hospitalizations,” which the state now pays for through both its Medicaid program and through unreimbursed care by state HHSC hospitals in Kona and Hilo. (Hawaii County currently has a rate of hospitalization for diabetes which is two times higher than Honolulu County, despite having a similar rate of diabetes (Source: HHIC). It is well documented that hospitalizations and Emergency Room visits decrease with improved access to quality primary care. Hawaii County has the most severe primary care shortage of all the counties. (Source: Hawaii Physician Workforce Study 2011)
- Because of the known economic multiplier effect of additional physicians in Hawaii, each additional physician is expected to generate 5 new jobs and new tax revenue. (Source: Lewin Group)
- State funds will leverage additional community donations from, TriWest which is one of the largest community donors and has committed ongoing funds, if the state supports this program.
- Improving access to quality primary care will reduce one of the key barriers to economic development in Hawaii County- inadequate access to healthcare.

Funding HB2368 will benefit the state economically as well as the people of Hawaii Island.

Sincerely,

Sharon Vitousek MD,

Chair, Hawaii Island Healthcare Alliance

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM
GARY M. SLOVIN
MIHOKO E. ITO
CHRISTINE OGAWA KARAMATSU
ANNE T. HORIUCHI

ALII PLACE, SUITE 1800 • 1099 ALAKEA STREET
HONOLULU, HAWAII 96813

MAIL ADDRESS: P.O. BOX 3196
HONOLULU, HAWAII 96801

TELEPHONE (808) 547-5600 • FAX (808) 547-5880
info@goodsill.com • www.goodsill.com

INTERNET:
gslovin@goodsill.com
meito@goodsill.com
ckaramatsu@goodsill.com
ahoriuchi@goodsill.com

TO: Senator Jill Tokuda
Chair, Committee on Education
Hawaii State Capitol, Room 218
Via Email: EDUtestimony@capitol.hawaii.gov and Hand Delivery

FROM: Gary M. Slovin

DATE: March 13, 2012

RE: H.B. 2368, HD1 – Relating to the University of Hawaii at Hilo
Hearing Date: Wednesday, March 14, 2012 at 1:15 p.m.
Conference Room 225

Dear Chair Tokuda and Members of the Committee on Education:

I am Gary Slovin, testifying on behalf of TriWest Healthcare Alliance Inc. (“TriWest”), a Delaware corporation headquartered in Phoenix, Arizona. TriWest **supports** H.B. 2368, HD1, which appropriates funds to establish a medical residency program at the University of Hawaii at Hilo effective July 1, 2050.

TriWest has been actively participating in the development of the residency program and has donated substantial sums to the program. TriWest recognizes that it is important that additional healthcare services be provided to residents in rural areas. H.B. 2368, HD1 will provide needed additional resources.

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

Testimony for EDU 3/14/2012 1:15:00 PM HB2368

Conference room: 225
Testifier position: Support
Testifier will be present: No
Submitted by: Annie Au Hoon
Organization: SCHHA
E-mail: info@schha.com
Submitted on: 3/14/2012

Comments:

All 33 members of Sovereign Councils of the Hawaiian Homeland Association are in support.

Kamaki Kanahale, Chairman of SCHHA
Lorraine Rapozo, Secretary
Kammy Purdy, Vice Chair
Jared Aiwohi, Exec Officer
Beatrice Hew Len, Oahu Mokupuni
Herbert Kalena Hew Len, Council Kahu
Michael Kahikina, Government Affairs & Legislative
Myron Brumaghim, Education Co-Chair
Margie Maaka, Education Co-Chair
Helen O'Connor Health/Human Services Chair
Tasha Kama, Genealogy Chair
Al Harrington, Native Tourism Chair
Dr. Agnes Cope, AHA Kupuna Council
Branscombe Richmond, Telecomm/Productions Chair
Audrey Loo, Anahola Hawaiian Lands Farms Association
Kawehi Mahi, Anahola Hawaiian Homes Association
Harry Purdy, Hoolehua Homestead Agriculture Association
Oochie Bush, Hoolehua Homestead Association
Aimoku Pali, Ka Ohana Kahikinui
Vivian Ainoa, Kamiloloa One-Alii Homesteaders Community Association
J. Leilani Wallace, Kapaakea Homesteader
Colleen Aiwohi, Kaupe'a Homestead Community Association
Annie Au Hoon, Kewalo Hawaiian Homestead Community Association
Kimo Kelii, Nanakuli Hawaiian Homestead Community Association
Kelly Lincoln, Panaewa Hawaiian Home Lands Community Association
Olinda Aiwohi, Paukukalo Hawaiian Homestead Association
Rodney Paahana, Villages of Leialii Association
Herbert Hew Len, Waianae Kai Homestead Association
Alapake Heanu, Waiehu Kou I Homestead Association
Aloha Planesi, Waiehu Kou II Homeowners Association
Roy Oliver, Waiehu Kou III Community Association
Danny Kanahale, Waiehu Kou IV Community Association
Micheal Hodson, Waimea Hawaiian Homesteaders Association, Inc
Blossom Feiteira, Association of Hawaiians for Homestead Lands



Committee on Education
The Honorable j. Tokuda, Chair
The Honorable M. Lee, Vice Chari

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 Presented Before the
Senate Committee on Education

Wednesday, March 14, 2012 at 1:15 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 Tokuda, Vice Chair Kidani 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 because UH Hilo does not have a 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.

Erin Conner

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 13, 2012 1:44 PM
To: EDU Testimony
Cc: patrick_naughton@hotmail.com
Subject: Testimony for HB2368 on 3/14/2012 1:15:00 PM

Testimony for EDU 3/14/2012 1:15:00 PM HB2368

Conference room: 225
Testifier position: Support
Testifier will be present: No
Submitted by: Patrick Naughton
Organization: Individual
E-mail: patrick_naughton@hotmail.com
Submitted on: 3/13/2012

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.

Erin Conner

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 13, 2012 2:27 PM
To: EDU Testimony
Cc: cvancamp3@hawaii.rr.com
Subject: Testimony for HB2368 on 3/14/2012 1:15:00 PM

Testimony for EDU 3/14/2012 1:15:00 PM HB2368

Conference room: 225
Testifier position: Support
Testifier will be present: No
Submitted by: Carol VanCamp
Organization: Individual
E-mail: cvancamp3@hawaii.rr.com
Submitted on: 3/13/2012

Comments:

This bill is critical to our efforts on the Big Island to recruit more doctors.