



HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES
The Honorable John M. Mizuno, Chair
The Honorable Bertrand Kobayashi, Vice Chair

**H.C.R. NO. 78, REQUESTING THE AUDITOR TO ASSESS THE
ADEQUACY OF THE PHYSICIAN NETWORKS ON ALL ISLANDS OF
THE STATE**

**H.R. NO. 63, REQUESTING THE AUDITOR TO ASSESS THE
ADEQUACY OF THE PHYSICIAN NETWORKS ON ALL ISLANDS OF
THE STATE**

Hearing: Wednesday, March 21, 2018, 8:30 a.m.

The Office of the Auditor **has no position** regarding H.C.R. No. 78 and H.R. No. 63, which request our office to “assess the adequacy of the physician networks on all islands of the State.” **However, we have concerns about our ability to do the requested work.**

Our office typically performs financial and performance audits, which evaluate the financial or management operations of specific agencies or programs. We have the authority to conduct audits of State agencies and programs. However, these resolutions ask us to assess the adequacy and performance of non-State organizations and entities, which is beyond the scope of our authority. If the intent of these resolutions is to request a performance and/or financial audit of the physician networks on all islands of the State that are administered by the State, we suggest that the resolutions be amended to reflect this. Furthermore, H.C.R. No. 78 and H.R. No. 63, appear to request assessments that are beyond our office’s usual work and staff’s expertise.

Specifically, it is likely that our office does not possess the substantive expertise regarding the “adequacy of physician networks” needed to complete the assessment. We appreciate the recommendation that our office seek cooperation and information from the John A. Burns School of Medicine at the University of Hawai‘i and the comprehensive health insurance providers in the state. However, we may still need to retain the services of a subject matter consultant to assist us on the substantive issues should these resolutions move forward.

Thank you for considering our testimony regarding H.C.R. No. 78 and H.R. No. 63.

Testimony of
Jonathan Ching
Government Relations Specialist

Before:
House Committee on Health & Human Services
The Honorable John M. Mizuno, Chair
The Honorable Bertrand Kobayashi, Vice Chair

March 21, 2018
8:30 a.m.
Conference Room 329

Re: HCR78/HR63, Requesting the Auditor to Assess the Adequacy of Physician Networks on All Islands of the State

Chair Mizuno, Vice Chair Kobayashi, and committee members, thank you for this opportunity to provide testimony on HCR78/HR63, which requests that the State Auditor to assess the adequacy of the physician networks on all islands of the State and report back to the Legislature prior to January 1, 2019.

Kaiser Permanente Hawaii offers the following COMMENTS on HCR78/HR63

Kaiser Permanente Hawai'i recognizes and supports the work by the Hawai'i Physician Workforce Assessment Project in finding tangible solutions to the physician workforce shortage to address the ongoing need for a strong physician workforce.

Furthermore, we would like to note the recent enactment of Act 191, Session Laws of Hawai'i 2017, which requires a health carrier with a network plan to maintain a network that is sufficient in numbers and appropriate types of providers, to ensure that covered persons under a health benefit plan have access to covered benefits. Act 191 utilizes the state-level network adequacy initiative, proposed by the National Association of Insurance Commissioners, as a base model, but takes into consideration other factors given Hawai'i's severe shortage of physicians and its unique geographical layout of several islands, containing large rural areas that are separated by mountains and ocean.

Given the recent enactment of Act 191 in 2017, we believe that an Auditor's study to assess the adequacy of the physician networks statewide may not be necessary.

Mahalo for the opportunity to testify on this measure.

Wednesday, March 21, 2018 at 8:30 AM
Conference Room 329

Committee on Ways and Means

To: Representative John Mizuno, Chair
Representative Bertrand Kobayashi, Vice Chair

From: Kenneth Robbins, MD
CMO, Hawaii Pacific Health

Re: Testimony in Support of HCR 78/HR 63
REQUESTING THE AUDITOR TO ASSESS THE ADEQUACY OF THE
PHYSICIAN NETWORKS ON ALL ISLANDS OF THE STATE.

My name is Kenneth Robbins, MD. I am the Chief Medical Officer for Hawaii'i Pacific Health. Hawaii'i Pacific Health is a not-for-profit health care system with over 70 locations statewide including medical centers, clinics, physicians and other caregivers serving Hawaii'i and the Pacific Region with high quality, compassionate care. Its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox – specialize in innovative programs in women's health, pediatric care, cardiovascular services, cancer care, bone and joint services and more. Hawaii'i Pacific Health is recognized nationally for its excellence in patient care and the use of electronic health records to improve quality and patient safety.

I write in support of HCR 78 and HR 63. HCR 78/HR 63 each request the auditor to assess the adequacy of the physician network for insurance providers on all islands of the state. Hawaii is facing a critical shortage of physicians as well as other healthcare providers. In the case of primary care physicians, the shortage of physicians in Hawaii is now calculated at 282 physicians statewide compared to a similar demographic region on the mainland.

This shortfall is projected to worsen with the increased demand for health care from an aging population and the retirement of an aging physician population creating access issues on Oahu and the neighbor islands. The physician workforce assessment conducted by the John A. Burns School of Medicine (JABSOM) has shown that shortages exist in nearly all medical specialties. Obtaining access to appropriate health care services has become increasingly difficult in Hawaii. The inability to access necessary health care services is even more acute on the Neighbor Islands.

Thank you for the opportunity to provide testimony.

HCR-78

Submitted on: 3/20/2018 11:55:22 PM

Testimony for HHS on 3/21/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

HCR-78

Submitted on: 3/20/2018 1:19:18 PM

Testimony for HHS on 3/21/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Vince Yamashiroya, MD	Individual	Support	No

Comments: