

**PRESENTATION OF THE
HAWAII MEDICAL BOARD**

TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-NINTH LEGISLATURE
Regular Session of 2018

Wednesday, April 4, 2018
1:30 p.m.

**TESTIMONY ON SENATE BILL NO. 2653, S.D. 1, RELATING TO CHAPTER 453,
HAWAII REVISED STATUTES.**

TO THE HONORABLE SYLVIA LUKE, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is Ahlani Quiogue, and I am the Executive Officer of the Hawaii Medical Board ("Board"). Thank you for the opportunity to testify in strong support of S.B. 2653, S.D. 1, Relating to Chapter 453, Hawaii Revised Statutes.

S.B. 2653, S.D. 1 establishes licensing requirements by endorsement for physicians, surgeons, and osteopathic physicians to practice in Hawaii. S.D. 1 amends this measure by changing the effective date to July 1, 2050.

Between January 2016 and December 2017, the Board received over 1,000 applications from physicians who are licensed in other jurisdictions and/or have a mailing address in another jurisdiction. The Board believes licensure by endorsement will provide greater access to medical care in Hawaii and will address the high volume of applications received from out-of-state physicians through a more expeditious and streamlined process.

In addition, this measure provides the Board the ability to expedite a license but remain committed to its legislative mandate to protect Hawaii consumers from unsafe and incompetent practitioners. The measure clearly ensures the Board may only license: (1) a physician who meets the license requirements set forth in Hawaii Revised Statutes ("HRS") section 453-4; and (2) a physician who holds an unencumbered license and has not been previously disciplined by another medical or osteopathic

medical board. The Board would not, in any way, cede its vetting of an application to another jurisdiction.

For the Committee's additional information, about forty-nine percent of state medical or osteopathy licensing boards allow for licensure by endorsement and/or reciprocity.

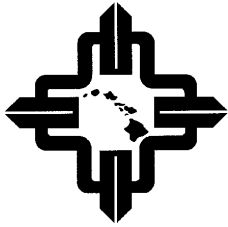
For the Board to carry out this measure, the Board strongly supports section 4 of this bill, which appropriates an unspecified sum from the Compliance Resolution Fund for purposes of implementing this Act. For the Committee's information, the Board is requesting two FTEs: one Office Assistant IV¹ and one Office Assistant V².

Lastly, the Board understands the purpose of this measure's defective date of July 1, 2050; however, the Board respectfully requests that the measure become effective upon approval, provided that section 2 of this bill be effective **December 31, 2018**, to allow the Department of Commerce and Consumer Affairs to recruit and employ the two FTEs, as requested in section 4 of this bill.

Thank you for the opportunity to testify in strong support of S.B. 2653, S.D. 1.

¹ OA-IV salary + fringe = \$50,000.00

² OA-V salary + fringe = \$54,000.00



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

"Quality Healthcare For All"

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J. K. Cullen, Vice Chair

April 4, 2018
Conference Room 308
1:30 p.m.
Hawaii State Capitol

Testimony Supporting Senate Bill 2653, SD1 Relating to Chapter 453, Hawaii Revised Statutes. Establishes requirements for licensure by endorsement for physicians, surgeons, and osteopathic physicians. Appropriates monies. Effective 7/1/2050.

Linda Rosen, M.D., M.P.H.
Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, we are in support of SB 2653, SD1.

Thank you for the opportunity to testify.



HAWAII MEDICAL ASSOCIATION

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

TO:

[COMMITTEE ON FINANCE](#)

Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

Wednesday, April 4, 2018

DATE:

TIME: 1:30 P.M.

PLACE: Conference Room 308

FROM:

Hawaii Medical Association

Dr. Christopher Flanders, DO, Executive Director

Lauren Zirbel, Community and Government Relations

Re: SB 2653 – Relating to Chapter 453, Hawaii Revised Statutes

Position: SUPPORT

On behalf of the physician and medical student members of the Hawaii Medical Association, we are writing regarding our ongoing commitment to reform of the health care system.

The HMA is in support of SB 2653, which establishes a system for licensure by endorsement for physicians, surgeons and osteopathic physicians. Licensure by endorsement provides an efficient, safe and expedient process by which these healthcare providers from out of state may become licensed in Hawaii while preventing physicians with any disciplinary action in another state from accessing this process.

The University of Hawaii's Physician Workforce Assessment found Oahu needs 381 physicians, up from 339 last year, while the Big Island is short 196 providers, compared with the 183 needed last year. Maui County has a deficit of 139, up from 125, while Kauai needs 53 doctors, down from 62.

Primary care providers are the largest group in short supply, followed by infectious disease specialists on Oahu and Kauai, colorectal surgeons on the Big Island and geriatric doctors in Maui County.

Hawaii is facing a critical shortage of healthcare providers in nearly every field of practice. 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 shortfall impacts the ability of our communities to access needed healthcare in a timely fashion.

HMA OFFICERS

President – William Wong, Jr., MD President-Elect – Jerry Van Meter, MD Secretary – Thomas Kosasa, MD
Immediate Past President – Bernard Robinson, MD Treasurer – Elizabeth A. Ignacio, MD
Executive Director – Christopher Flanders, DO



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Additionally, another barrier to access to care is the limitation placed on physicians seeking to relocate to Hawaii to practice by the requirements of obtaining a license to practice in the state, many of whom are fully qualified and licensed in another jurisdiction. Implementing a process to license out-of-state physicians by endorsement enables the Hawaii Board of Medical Examiners to recognize the qualifications and licensed status of another state and reduces the burden and time constraints of relicensing.

This measure provides the Board the ability to expedite a license but remain committed to its legislative mandate to protect Hawaii consumers from unsafe and incompetent practitioners. The measure clearly ensures the Board may only license: (1) a physician who meets the license requirements set forth in Hawaii Revised Statutes (“HRS”) section 453-4; and (2) a physician that holds an unencumbered license and has not been previously disciplined by another medical or osteopathic medical board. The Board would not, in any way, cede its vetting of an application to another jurisdiction.

Thank you for the opportunity to provide testimony.

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April 4, 2018 at 1:30 PM
Conference Room 308

House Committee on Finance

To: Chair Sylvia Luke
Vice Chair Ty J.K. Cullen

From: Paige Heckathorn
Senior Manager, Legislative Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
SB 2653 SD 1, Relating to Chapter 453, Hawaii Revised Statutes

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

We would like to thank the committee for the opportunity to **support** SB 2653 SD 1, which would allow physicians, surgeons, and osteopathic physicians to receive licensure by endorsement. There is currently a physician shortage in the state, with one recent report finding that there was a shortage of 769 physicians, an eight percent increase over the previous year. This creates issues with access to timely, quality care, especially on the neighbor islands. This shortage is projected to worsen in the coming years and decades, especially as the state's population ages.

Efforts to bring in qualified physicians in a more efficient manner will be important to address the current and future issues we have with access to quality care. This measure would allow for a more streamlined process that can help our state address the current and future physician shortage, while protecting the ability of the Hawaii Medical Board (HMB) to ensure that necessary standards are met. Ensuring that HMB has sufficient resources to carry out this measure is also important, and will help achieve the goal of increasing access to care for residents in the state.

Thank you for your consideration of this matter.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
Members, Committee on Finance

From: Paula Yoshioka, Vice President of Government Relations and External Affairs, The
Queen's Health Systems

Date: April 3, 2018

Hrg: House Committee on Finance Hearing; Wednesday, April 4, 2018 at 1:30PM in Room
308

Re: **Support for SB 2653, SD1, Relating to Chapter 453, Hawaii Revised Statutes**

My name is Paula Yoshioka and I am the Vice President of Government Relations and External Affairs at The Queen's Health Systems (Queen's). Queen's **supports** SB 2653, SD1, Relating to Chapter 453, Hawaii Revised Statutes. This bill establishes requirements for licensure by endorsement for physicians, surgeons, and osteopathic physicians.

At Queen's we are committed to providing care for all the people of Hawaii. Currently, there is a critical health care provider shortage in nearly every field in Hawaii. As our population ages and more physicians retire, the provider shortage issue will worsen over time. We believe that efforts to attract qualified out-of-state physicians to practice in Hawaii is an essential part of finding a solution to this issue.

This measure allows the Department of Commerce and Consumer Affairs to create a more streamlined licensing process that will help with physician recruitment by reducing the burden and time constraints of relicensing. Implementing a process to license out-of-state physicians by endorsement allows the Hawaii Medical Board to recognize the qualifications and licensed status of another state, while ensuring that necessary standards are met. We support the concept of a streamlined licensing process and look forward to its implementation.

Thank you for your time and attention to this important issue.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

Wednesday, April 4, 2018 at 1:30 PM
Conference Room 308

House Committee on Finance

To: Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair

From: Kenneth Robbins, MD
CMO, Hawaii Pacific Health

Re: Testimony in Support of SB 2653, SD1 – Relating to Chapter 453, Hawaii Revised Statutes

My name is Kenneth Robbins, MD. I am the Chief Medical Officer for Hawai'i Pacific Health. Hawai'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 Hawai'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. Hawai'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 SB 2653, SD1 which establishes a system for licensure by endorsement for physicians, surgeons and osteopathic physicians. Licensure by endorsement provides an efficient, safe and expedient process by which these healthcare providers from out of state may become licensed in Hawaii.

Hawaii is facing a critical shortage of healthcare providers in nearly every field of practice. For example, in the case of primary care physicians, the shortage is now calculated at 282 physicians statewide. 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 shortfall impacts the ability of our communities to access needed healthcare in a timely fashion.

Additionally, another barrier to access to care is the limitation placed on physicians seeking to relocate to Hawaii to practice by the requirements of obtaining a license to practice in the state, many of whom are fully qualified and licensed in another

jurisdiction. Implementing a process to license out-of-state physicians by endorsement enables the Hawaii Board of Medical Examiners to recognize the qualifications and licensed status of another state and reduces the burden and time constraints of relicensing.

Thank you for the opportunity to provide testimony.



SB2653 SD1 Licensure by Endorsement

COMMITTEE ON FINANCE:

- Representative Sylvia Luke, Chair; Representative Ty Cullen, Vice Chair
- Wednesday, April 4, 2018: 1:30 pm
- Conference Room 308

Hawaii Substance Abuse Coalition (HSAC) Supports SB2653 SD1:

GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of almost 40 alcohol and drug treatment and prevention agencies.

HSAC strongly supports this bill to improve access to more physicians as well as provide protections to ensure quality delivery of care.



- There is a huge shortage for primary care in Hawaii and its worsening.¹
- Moreover, every advanced nation except the U.S. has modified their delivery of care by focusing more on primary care to better manage patients with chronic conditions as an effective means to follow up with patients after they have been diagnosed by specialty care.² The result is higher quality and less healthcare cost.
- This bill will help Hawaii to address its severe shortage of primary care doctors so that we can better implement care reforms to improve outcomes and bend the cost curve.³
- People with a chronic substance use disorder have great difficulty in finding adequate primary and specialty care, even after they have undergone effective treatment and are in recovery. More primary care doctors helping with substance use disorders, such as the national trend towards Screening, Brief Intervention, Referral to Treatment (SBIRT), can significantly help improve recovery outcomes for misuse as well as chronic addiction.⁴

We appreciate the opportunity to provide testimony and are available for questions.

¹ University Study Finds Hawaii's Doctor Shortage Worsening, September, 2017. <https://www.usnews.com/news/best-states/hawaii/articles/2017-09-26/university-study-finds-hawaiiis-doctor-shortage-worsening>

²Realizing Health Reform's Potential: The Commonwealth Fund, January 2011

http://www.commonwealthfund.org/~media/Files/Publications/Issue%20Brief/2011/Jan/1466_Abrams_how_ACA_will_strengthen_primary_care_reform_brief_v3.pdf

³ How Healthcare Reform Is Impacting Primary Care, March, 2016. <http://www.ajmc.com/contributor/sophia-bernazzani/2016/03/how-healthcare-reform-is-impacting-primary-care>

⁴ How Primary Care Doctors Can Help Patients Beat Opioid Addiction. October, 2017,

<https://lablog.uofmhealth.org/rounds/how-primary-care-doctors-can-help-patients-beat-opioid-addiction>



**Testimony to the House Committee on Finance
Wednesday, April 4, 2018; 1:30 p.m.
State Capitol, Conference Room 308**

**RE: SUPPORTING SENATE BILL NO. 2653, SENATE DRAFT 1, RELATING TO CHAPTER 453,
HAWAII REVISED STATUTES.**

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 2653, Senate Draft 1, RELATING TO CHAPTER 453, HAWAII REVISED STATUTES.

The bill, as received by your Committee, would:

- (1) Allow the Hawaii Medical Board (Board) to issue licenses by endorsement to a physician, surgeon, or osteopathic physician if certain conditions are met;
- (2) Authorize the Board to require an applicant seeking licensure by endorsement to take and pass the Special Purpose Examination or the Comprehensive Osteopathic Medical Variable-Purpose Examination -- USA to assist the Board in determining the applicant's ability to safely and competently engage in the practice of medicine;
- (3) Allow the Department of Commerce and Consumer Affairs (DCCA) to employ civil service-exempt staff to implement the foregoing provisions;
- (4) Appropriate an unspecified amount of funds for fiscal year 2018-2019 from the Compliance Resolution Fund to implement the foregoing provisions; and
- (5) Takes effect on July 1, 2050, to facilitate continued discussion.

Testimony on Senate Bill No. 2653, Senate Draft 1
Wednesday, April 4, 2018; 1:30 p.m.
Page 2

Federally Qualified Health Centers (FQHCs) provide desperately needed medical services at the frontlines in rural communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of health.

The State of Hawaii is experiencing a severe shortage of health care professionals in the workforce, especially in rural areas. Recent studies note that the current shortage of physicians is at 20% of the total full-time equivalent positions throughout the State. The shortage is especially severe in the fields of primary care, infectious diseases, colorectal surgery, pathology, general surgery, pulmonology, neurology, neurosurgery, orthopedic surgery, family medicine, cardiothoracic surgery, rheumatology, cardiology, hematology/oncology, and pediatric subspecialties of endocrinology, cardiology, neurology, hematology/oncology, and gastroenterology.

This bill would appear to clarify the Board's authority to license physicians, surgeons, and osteopathic physicians by endorsement. Accordingly we commend this effort and wish to participate in any and all discussions concerning the expedited licensure of health care professionals.

For these reasons, we **SUPPORT** this measure and urge your favorable consideration.

In advance, thank you for your consideration of our testimony.

SB-2653-SD-1

Submitted on: 4/3/2018 7:45:23 AM

Testimony for FIN on 4/4/2018 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elena Cabatu	Hilo Medical Center	Support	No

Comments:

Hilo Medical Center is in full support of SB2653 SD1.

SB-2653-SD-1

Submitted on: 4/2/2018 4:02:52 PM

Testimony for FIN on 4/4/2018 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Sayama, PhD	Community First	Support	No

Comments:

Community First strongly supports this bill. Recognizing the impending crisis which will hit our community with the retirement of many primary care physicians, we raised money for subsidies for new physicians willing to commit to practicing for 4 years in East Hawaii. We recently made a grant to a physician already practicing in another state who subsequently withdrew because it took more than 6 months to get licensed in Hawaii. She could not afford to wait any longer and took a position elsewhere. Given the national physician shortage, we should make it as easy as possible for qualified physicians to come to Hawaii to practice.

SB-2653-SD-1

Submitted on: 4/3/2018 9:35:52 AM

Testimony for FIN on 4/4/2018 1:30:00 PM

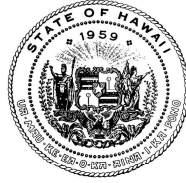
Submitted By	Organization	Testifier Position	Present at Hearing
Jane Furtado	Individual	Support	No

Comments:

I am the President of the Hawaii Association of Medical Staff Professionals. We are a group of professionals involved in credentialing and privileging physicians and other healthcare professionals at hospitals, ambulatory surgery centers, clinics, and health plans. I am in full support of this bill which will greatly improve the physicians' experience with the medical licensing process. I am also very much in support of amendment to the bill to include additional staffing resources for DCCA. Being in a very similar business, protecting patient safety by ensuring that a physician is competent through strict credentialing verification processes, I can sympathize with the work load this actually entails. This bill will help streamline processes but will still require critical analysis of each application to ensure licensure is granted appropriately. Licensure impacts privileging at hospitals, ambulatory surgery centers, clinics and health plans directly. No physician can work without licensure and no physician can provide services in our community facilities without privileging. A streamlined process at licensure will directly provide greater access to medical care in Hawaii.

Thank you.

Jane F. Furtado



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

LATE

**Testimony in SUPPORT of SB2653 SD1
RELATING TO CHAPTER 453, HAWAII REVISED STATUTES.**

REP. SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 4, 2018

Room Number: 308

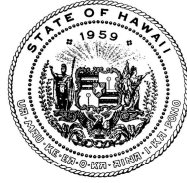
- 1 **Fiscal Implications:** 2.0 FTE and unspecified appropriations request from the Compliance
- 2 Resolution special fund.

- 3 **Department Testimony:** Hawaii has a physician shortage of about 500 physicians, and as a
- 4 result the Department of Health (DOH) **strongly supports** SB2653 SD1, which authorizes an
- 5 expedited process to grant licenses that does not cede decision-making to another jurisdiction.

- 6 The proliferation of technology and changes in the health care marketplace are making physician
- 7 recruitment more competitive. Responsiveness to providers willing to practice in Hawaii,
- 8 whether full-time, part-time, or via telehealth, is critical for local health systems and their
- 9 patients. Wait times for medical licenses depend greatly on the resources required to thoroughly
- 10 verify a provider's credentials (education, disciplinary actions, etc.). Enactment of this measure
- 11 with the requisite resources will diminish wait times through administrative simplification, which
- 12 was a recommendation of the Physician Workforce Research Team, authorized and funded by
- 13 the Legislature (Act 18, SSLH 2009).

- 14 Both the legal authority to implement licensure by endorsement and the requested resources in
- 15 Bill Section 4 from the Department of Commerce and Consumer Affairs (DCCA) are necessary
- 16 and endorsed DOH.

- 17 **Offered Amendments:** N/A.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

LATE

**Testimony in SUPPORT of SB2653 SD1
RELATING TO CHAPTER 453, HAWAII REVISED STATUTES.**

REP. SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 4, 2018

Room Number: 308

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