
A BILL FOR AN ACT

RELATING TO PHYSICIAN SHORTAGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the current
2 physician shortage in Hawaii is a matter of statewide concern.
3 The shortage is exacerbated by older physicians retiring and
4 younger physicians leaving the State for higher pay. The
5 legislature further finds that in 2019, there were approximately
6 two thousand eight hundred active physicians in Hawaii, a
7 decrease of over one hundred physicians over the past year. The
8 number of physicians in the State is the lowest since 2015 and
9 the latest report from the Hawaii Physician Workforce Assessment
10 Project by the University of Hawaii John A. Burns School of
11 Medicine indicates the State needs at least 3,481 physicians to
12 care for the aging population.

13 The legislature also finds that many physicians educated at
14 the University of Hawaii John A. Burns School of Medicine often
15 remain in Hawaii to practice. However, the legislature finds
16 that the graduation rate of the State's medical school cannot
17 adequately satisfy the increasing health care needs of the



1 State. In 2019, the school of medicine had seventy-three
2 graduates. The medical school plans to increase its entering
3 class size to only seventy-six matriculating students by 2020.

4 The legislature is concerned that the small class size at
5 the John A. Burns School of Medicine means that high quality
6 potential medical school applicants are being turned away. In
7 the *Honolulu Star-Advertiser*, December 20, 2019, edition, a
8 contributor to the newspaper's Letters To The Editor section
9 recounted the experience of a local boy who apparently had the
10 qualifications for acceptance to the medical school, but was
11 denied because the school did not have enough slots. The
12 rejected applicant went to the continental United States for
13 medical school and currently is an emergency room doctor at
14 Stanford Hospital.

15 The legislature further finds that encouraging Hawaii
16 residents who are educated at out-of-state medical schools to
17 return to Hawaii and practice medicine would significantly
18 address the current and projected future physician shortage in
19 the State.

20 One such method would be to establish a sponsorship program
21 for Hawaii applicants to attend and graduate from a highly



1 qualified, but lower cost, school of medicine. Payments made by
2 the State to these individuals would enable more students to
3 graduate from medical school and would involve a commitment to
4 practice medicine in Hawaii after graduation.

5 Partnering with the College of Medicine of the University
6 of Northern Philippines is one option Hawaii could explore in
7 its efforts to reduce the physician shortage in the State. The
8 mission of the College of Medicine is to produce globally
9 competitive and proactive professionals through excellent
10 instruction, research, extension, and production. The College
11 utilizes an innovative health science education and training
12 program and has gradually integrated outcome-based education to
13 keep abreast in new approaches to effective teaching models. It
14 boasts a rapidly growing student population, thanks to its
15 continuously improving academic standards and modest tuition
16 fees. The legislature notes that the College currently charges
17 approximately \$3,000 in annual tuition and \$200 per month for
18 room and board.

19 The purpose of this Act is to require the department of
20 health to establish, develop, and implement a program to sponsor
21 medical students who attend the College of Medicine of the



1 University of Northern Philippines in exchange for a ten-year
2 service commitment to practice medicine in Hawaii after
3 graduation.

4 SECTION 2. Chapter 321, Hawaii Revised Statutes, is
5 amended by adding a new part to be appropriately designated and
6 to read as follows:

7 "PART . THE COLLEGE OF MEDICINE OF THE UNIVERSITY OF
8 NORTHERN PHILIPPINES MEDICAL STUDENT SPONSORSHIP PROGRAM

9 §321-A Definitions. As used in this part:

10 "College of medicine" means the College of Medicine of the
11 University of Northern Philippines, Tamag, Vigan City, Republic
12 of the Philippines.

13 "Department" means the department of health.

14 "Program" means the College of Medicine of the University
15 of Northern Philippines medical student sponsorship program.

16 "Program participant" means an individual who has been
17 selected by the department to participate in the program
18 pursuant to §321-B.

19 §321-B University of Northern Philippines College of
20 Medicine; sponsorship program; established. (a) The University
21 of Northern Philippines College of Medicine program is



1 established within the department. The purpose of the program
2 shall be to help address the physician shortage in the State by
3 sponsoring medical students at the University of Northern
4 Philippines College of Medicine who make the service commitment
5 under subsection (c).

6 (b) The program shall be administered by the department.

7 In administering the program, the department shall:

8 (1) Develop guidelines to implement and administer the
9 program;

10 (2) Establish criteria for the selection by the department
11 of applicants eligible to participate in the program;
12 including but not limited to residency, educational
13 background, academic, and character requirements;

14 (3) Define and determine compliance with the service
15 commitments of the program;

16 (4) Collect and manage reimbursements from program
17 participants who do not meet their service commitments
18 under the program;

19 (5) Publicize the program, particularly to maximize
20 participation by individuals who live in areas of the
21 state where there is a shortage of physicians; and



1 (6) Enter into agreements and memoranda of understanding,
2 with the authorization of the governor, with the
3 college of medicine and any other public or private
4 entity deemed necessary by the department to carry out
5 the purposes of this part.

6 (c) The program shall sponsor program participants who
7 attend and graduate from the college of medicine and agree to
8 serve for ten consecutive years as a physician in the State
9 after graduation from the college of medicine.

10 (d) To the extent funds are available, the program shall
11 cover the costs for program participants to complete the doctor
12 of medicine program at the college of medicine, including
13 tuition, fees, books, room and board, travel expenses, and a
14 reasonable subsistence allowance.

15 (e) Program participants shall be determined by the
16 department; provided that the department may give priority to
17 participants who make a service commitment to practice in an
18 area of the State with a physician shortage.

19 (f) If a program participant fails to satisfy the program
20 participant's service commitment under subsection (c), the
21 program participant shall be liable for the repayment to the



1 State of all funds expended on behalf of the program
2 participant. In addition, the department may seek reimbursement
3 for any funds expended under the program on behalf of the
4 program participant.

5 (g) In accordance with chapter 103D, the department may
6 enter into written contracts with collection agencies to collect
7 delinquent reimbursements of sponsorship payments. All payments
8 collected, exclusive of a collection agency's commissions, shall
9 revert and be credited to the general fund. A collection agency
10 that enters into a written contract with the department to
11 collect delinquent reimbursements of sponsorship payments
12 pursuant to this section may collect a commission from the
13 debtor in accordance with the terms of, and up to the amounts
14 authorized in, the written contract.

15 **§321-C Annual report.** The director of health shall submit
16 an annual report to the governor and legislature no later than
17 twenty days prior to the convening of each regular session
18 beginning with the regular session of 2021. The report shall
19 include:



- 1 (1) The status of the development and implementation of
- 2 the program, including a timeline for full
- 3 implementation of the program;
- 4 (2) The number of current program participants and
- 5 projected number of future program participants;
- 6 (3) The funding requirements and means of financing for
- 7 the program;
- 8 (4) Any financial or legal impediments of the program and
- 9 any proposed solutions;
- 10 (5) Any proposed legislation; and
- 11 (6) Any other relevant information regarding the program.

12 **§321-D Rules.** The department of health shall adopt rules
 13 pursuant to chapter 91 to effectuate the purposes of this part."

14 SECTION 3. There is appropriated out of the general
 15 revenues of the State of Hawaii the sum of \$ or so
 16 much thereof as may be necessary for fiscal year 2020-2021 to
 17 implement the College of Medicine of the University of Northern
 18 Philippines medical student sponsorship program established by
 19 this Act.

20 The sum appropriated shall be expended by the department of
 21 health for the purposes of this Act.



1 SECTION 4. In codifying the new sections added by section
 2 2 of this Act, the revisor of statutes shall substitute
 3 appropriate section numbers for the letters used in designating
 4 the new sections in this Act.

5 SECTION 5. This Act shall take effect on July 1, 2020.
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INTRODUCED BY:

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JAN 17 2020



H.B. NO. 1977

Report Title:

College of Medicine of the University of Northern Philippines;
Medical Students; Sponsorship Program; Establishment;
Appropriation

Description:

Addresses the State's physician shortage by establishing the College of Medicine of the University of Northern Philippines Medical Student Sponsorship Program within DOH for medical students who successfully graduate from the College and make a ten-year service commitment to practice medicine in Hawaii. Appropriates funds.

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