

Testimony of the Hawaii Medical Board

**Before the
House Committee on Health, Human Services, & Homelessness
Tuesday, February 2, 2021
9:30 a.m.
Via Videoconference**

**On the following measure:
H.B. 313, RELATING TO PHYSICIAN WORKFORCE ASSESSMENT**

Chair Yamane and Members of the Committee:

My name is Ahlani Quiogue, and I am the Executive Officer of the Hawaii Medical Board (Board). The Board offers comments on this bill.

The purposes of this bill are to: (1) repeal the requirement that no less than 50% of the physician workforce assessment fees deposited into the John A. Burns School of Medicine special fund be used for purposes identified by the Hawaii Medical Education Council; (2) repeal the monetary cap of expenditures from the John A. Burns School of Medicine special fund; and (3) authorize the John A. Burns School of Medicine special fund to provide loan repayment to certain physicians and scholarships to qualifying medical students.

The Board will review this bill at its next publicly noticed meeting on February 11, 2021.

Thank you for the opportunity to testify on this bill.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Health, Human Services, & Homelessness
Tuesday, February 2, 2021 at 9:30 a.m.

By

Jerris Hedges, MD, Dean

Kelley Withy, MD, Professor, Department of Complementary and Integrative Medicine
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director
John A. Burns School of Medicine
University of Hawai'i at Mānoa

HB 313 – RELATING TO PHYSICIAN WORKFORCE ASSESSMENT

Chair Yamane, Vice Chair Tam and members of the committee:

Thank you for this opportunity to testify in **strong support** of HB 313, which repeals the spending caps of the workforce assessment fees and authorizes the John A. Burns School of Medicine (JABSOM) to utilize the funds to provide loan repayment to physicians who commit to working in medically underserved areas of the State as part of the federally-matched health care provider loan repayment program JABSOM administers as well as provide scholarships to qualifying JABSOM students who commit to practicing in Hawai'i.

Hawai'i faces a critical need for recruitment and retention of physicians to serve rural and medically underserved areas of the State. The shortage of physicians is as high as 1,008 and is compounded by the fact that Hawai'i has the fifth oldest physician workforce of all the states and more than half of the State's physicians will be over age sixty-five within ten years. The physician workforce assessment project has assisted with malpractice reform, provided thousands of hours of continuing education, coordinates the loan repayment program for physicians working in areas of need, advertises all open practitioner positions in Hawai'i to medical graduates, prepares local students for medical school, provides education regarding the physician shortage, and a host of other physician workforce services for all of Hawai'i.

State-matched loan repayment relief to new providers as well as scholarships for medical students who agree to practice in the areas of highest need have great promise. In many cases, the increasingly high cost of education for medical students and their families impacts their future career decisions. High educational debt discourages physicians from entering primary care fields and/or choosing to practice on the neighbor islands or in rural areas of O'ahu where the need is greatest.

Removing the spending caps for this key fund and expanding the use of funding received through the existing physician workforce assessment project will allow JABSOM to optimally match the federal grant monies received for the physician loan repayment program it administers. Similarly, supplemental scholarship support will reduce educational debt on the front-end for Hawai'i students at JABSOM. Through this two-pronged approach, Hawai'i can act rapidly to build upon tangible solutions to the state's physician workforce shortage.

Thank you for this opportunity to testify.



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813

www.labor.hawaii.gov

Phone: (808) 586-8844 / Fax: (808) 586-9099

Email: dlir.director@hawaii.gov

February 2, 2021

To: The Honorable Ryan I. Yamane, Chair,
The Honorable Adrian K. Tam, Vice Chair, and
Members of the House Committee on Health, Human Services, and
Homelessness

Date: Tuesday, February 2, 2021

Time: 9:30 a.m.

Place: Via Video Conference

From: Anne E. Perreira-Eustaquio, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 313 RELATING TO PHYSICIAN WORKFORCE ASSESSMENT

I. OVERVIEW OF PROPOSED LEGISLATION

HB313 proposes to repeal the monetary cap of the John A. Burns school of medicine special fund and the requirement that no less than fifty per cent of the physician workforce assessment fees deposited into the special fund. In addition, the bill authorizes the special fund to provide loan repayments to certain physicians and scholarships to qualifying medical students.

The DLIR supports the measure provided it does not conflict with the priorities identified in the Governor's Biennium Budget request.

II. CURRENT LAW

Section 304A-2171, HRS requires that no less than fifty per cent of the physician workforce assessment fees deposited into the John A. Burns school of medicine special fund be used for purposes identified by the Hawaii medical education council and has a set monetary cap for the special fund.

III. COMMENTS ON THE HOUSE BILL

The DLIR, through funding for mini grants provided by the Legislature to the Hawaii Healthcare Workforce Advisory Board, has witnessed the significance of providing loan repayment for healthcare practitioners. The grants serve as a means of

maintaining and expanding the medical workforce in underserved areas of the state.

The DLIR supports this measure provided it does not conflict with the priorities identified in the Governor's Biennium Budget request and defers to the Legislature on the funding of the program.



**Testimony to the House Committee on Health, Human Services, & Homelessness
Tuesday, February 2, 2021; 9:30 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 313, RELATING TO PHYSICIAN WORKFORCE ASSESSMENT.

Chair Yamane, Vice Chair Tam, 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** House Bill No. 0313, RELATING TO PHYSICIAN WORKFORCE ASSESSMENT.

The bill, as received by your Committee, would:

- (1) Eliminate a requirement that not less than 50% of assessment fees deposited into the John A. Burns School of Medicine (JABSOM) Special Fund be used for purposes identified by the Hawaii Medical Education Council;
- (2) Eliminate the monetary cap on expenditures from the HABSOM Special Fund; and
- (3) Allow the JABSOM Special Fund to provide:
 - (A) Loan repayment to physicians who commit to working in medically underserved areas of the State as part of the Health Care Provider Loan Repayment Program; and
 - (B) Scholarships for qualifying medical students.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved 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 healthcare.

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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 provide additional State resources to enhance the the quality and stock of Hawaii's future healthcare workforce. **Accordingly, the HPCA strongly supports this important measure.**

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Ryan I. Yamane, Chair
The Honorable Adrian K. Tam, Vice Chair
Members, House Committee on Health, Human Services, & Homelessness

From: Colette Masunaga, Director, Government Relations & External Affairs, The Queen's Health Systems

Date: February 2, 2021

Re: Support for HB313: Relating to the Physician Workforce Assessment

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 1,500 affiliated physicians and providers statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's **supports** HB313, relating to Physician Workforce Assessment. The Hawaii Physician Workforce Assessment Program supports research of the supply and demand of physicians in Hawaii, as well as interventions to recruit physicians and increase career satisfaction of practicing physicians.

We support efforts to develop our current and future physician workforce given the projected shortage of physicians in our state. In FY 2019 we spent \$16.4 million in education and training to support current and future health care professionals in the community. Currently, Hawaii has a shortage, particularly in rural and underserved areas between 700-1,000 physicians. This Program allows the John A. Burns School of Medicine (JABSOM) to continue efforts to invest in the physician workforce; helping with education, recruitment, training, and further support programs to ensure that those physicians who wish to stay and practice in Hawaii have the resources to do so.

Thank you for allowing us to provide this testimony in support of HB313.

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.

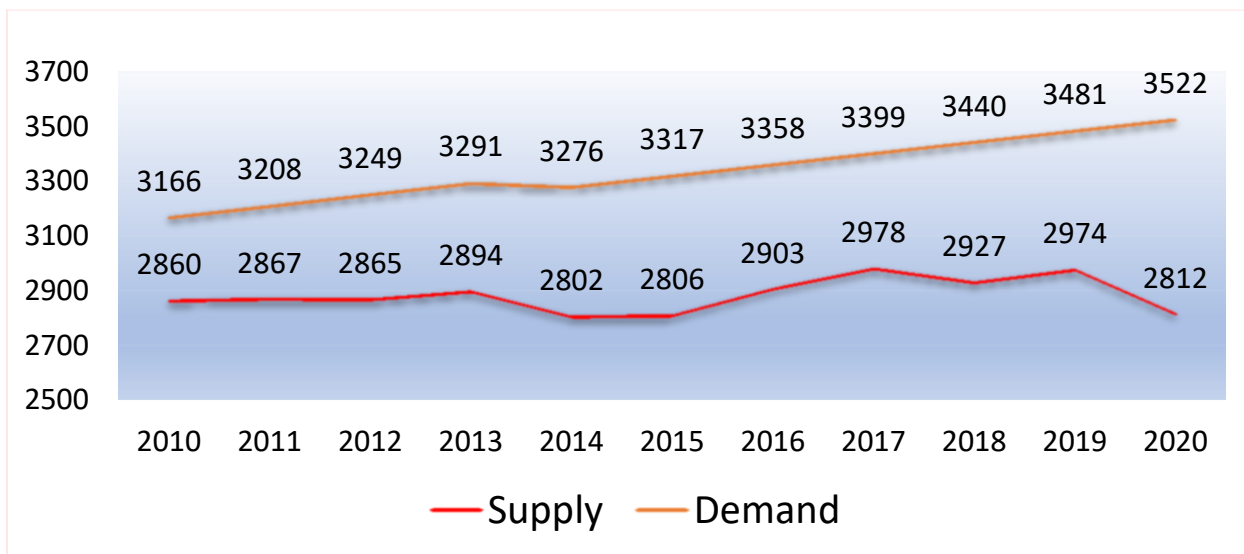
Kelley Withy, MD, PhD
kellywithy@gmail.com

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The Committee on Health, Human Services, & Homelessness
Hearing Date: Tuesday, February 2, 2021

HB313 - Relating to Physician Workforce Assessment

Chair Yamane and Members of the committee:

I am writing in strong support of HB313. Hawaii has a shortage of between 700 and 1,000 physicians, a terrible situation for anyone with an illness. This number has more than doubled since I have been doing the research on physician workforce in 2010, and much of this in the last disastrous year! As you can see in the chart below, while our demand grows consistently, our supply is falling off:



Top line is estimated demand (based on how many physicians we would have if we were on the Continental US), the bottom line is supply (number of active non-military physician full time equivalents in Hawaii). In addition to this, we must take into account geographic barriers as well.

Loan repayment is the fastest and least expensive way to recruit physicians to an area of need. In 2012, JABSOM started a State Loan Repayment program with a federal grant and the help of HMSA and Queens. The federal government provides half the money, but only if local sources provide the other half (one to one match). The Hawaii State Legislature has been an excellent partner and supported this program for the last three years, but with current financial challenges, is not expected to put general fund dollars toward loan repayment this year. But there is another possible source of funds to continue this program!

The Physician Workforce Fund was created in 2010 and allowed us to do the important research to track the physician workforce (graph above), as well as recruit physicians, prepare local applicants for medical school, provide activities to keep physicians practicing in Hawaii (Workforce Summit, loan repayment) and promote local practice. The funds that go into this Special Fund are all from our Hawaii physicians: \$60 paid by physicians every other year when they renew their medical license. With the number of physicians licensing going over 10,000 in 2019, we now collect more than the spending cap of \$245,000 a year by about \$35K/year. In addition, there was \$200K that couldn't be spent in the first year of the program due to contracting challenges.

Therefore, we have funds in this account that can be spent to support the state match for loan repayment, as well as make an impact on the physician shortage by providing scholarships to local students to stay and practice in Hawaii. I believe that loan repayment and scholarships for Hawaii students are the best ways to spend our physician dollars on top of the work we are already doing: conducting the annual research, supporting continuing education and fun activities for physicians, supporting a Hawaii physician recruiter to stay in touch with our graduates and promote practice in Hawaii across the US, advertise open positions and opportunities in Hawaii, support local students pursuing health professions and pursuing all ideas to get more doctors working in Hawaii! These resources can be reached at: www.ahec.hawaii.edu. Furthermore, I am happy to work with anyone who has ideas to build our workforce: kellywithy@gmail.com or withy@hawaii.edu.

Thank you for your hard work and support for the doctors of Hawaii!