

Honolulu, Hawaii

FEB 17 2022

RE: S.B. No. 2657
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committees on Health and Higher Education, to which was referred S.B. No. 2657 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL EDUCATION AND TRAINING,"

beg leave to report as follows:

The purpose and intent of this measure is to appropriate funds to create more residencies and training opportunities on the neighbor islands for medical students at the University of Hawaii John A. Burns School of Medicine.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Kaiser Permanente Hawaii, Healthcare Association of Hawaii, The Queen's Health Systems, East Hawaii Region of Hawaii Health Systems Corporation, Hawaii Medical Association, Hawai'i Pacific Health, Hawai'i Primary Care Association, Hawaii Psychiatric Medical Association, and two individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that the State faces a shortage of health care providers. In particular, the neighbor islands are disproportionately affected by physician shortages in all area of practice. Research from the John A. Burns School of Medicine (JABSOM) suggests that approximately eighty percent of physicians who complete their medical school education and residency training



in Hawaii, remain in Hawaii to practice. Similarly, medical residents who train on the neighbor islands are more likely to practice on the neighbor islands. JABSOM plans to expand primary care residency training on the neighbor islands; however, funding is needed to hire teaching faculty and for student and resident support. This measure provides funding to create more residencies and training opportunities on the neighbor islands.

Your Committees find that Senate Bill No. 2655 (Regular Session of 2022) (S.B. No. 2655) and S.B. No. 2656 (Regular Session of 2022) (S.B. No. 2656), introduced in the current legislative session, also aim to increase the physician work force in the State. S.B. No. 2655 does so by reestablishing the Hawaii Medical Education Special Fund, which is used to provide funding for medical education and training in the State. S.B. No. 2656 appropriates funds to support medical residencies and training programs in a partnership between JABSOM and the Veterans Administration. Your Committees find that because these measures work towards the same goal -- increasing the physician work force in the State by creating more residencies and training programs -- they should be combined into one measure. Finally, your Committees note the testimony of the Department of Budget and Finance to S.B. No. 2655, which raises concerns that the special fund created by this measure may not demonstrate the capacity to be financially self-sustaining as required by section 37-52.3, Hawaii Revised Statutes.

Accordingly, your Committees have amended this measure by:

- (1) Incorporating the contents of S.B. No. 2655 and S.B. No. 2656 into this measure;
- (2) Inserting a blank appropriation amount;
- (3) Inserting an effective date of January 1, 2050, to encourage further discussion;
- (4) Amending section 1 to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Health and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2657, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2657, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Health and Higher Education,



DONNA MERCADO KIM, Chair



JARRETT KEOHOKALOLE, Chair



