



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
February 24, 2022 at 2:00 p.m.

By

Jerris Hedges, MD, Dean and
Lee Buenconsejo-Lum, MD, FAAFP
Associate Dean for Academic Affairs & DIO, UH JABSOM
John A. Burns School of Medicine

And

Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

HB 1547 HD1 – RELATING TO GRADUATE MEDICAL EDUCATION

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for the opportunity to present testimony today. The John A. Burns School of Medicine (JABSOM) supports HB 1547 HD1 which seeks funding to expand graduate medical education (residency and specialty fellowship training) to the neighbor islands, provided that its passage does not replace or impact priorities as indicated in our BOR Approved Budget.

Many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of physicians and other health care providers in the State. These shortages threaten individual health and cumulatively adversely affect the State's health care costs. The State's neighbor islands, which have been designated by the federal government as medically underserved areas, have been disproportionately adversely affected by shortages of physicians in all areas of practice.

Based on the most recent data from the Hawai'i physician workforce assessment project, the State has a shortage of 537 full-time equivalent physicians. However, when island geography and unmet specialty-specific needs by county are examined, the estimated unmet need for full-time physicians increases to 732. Primary care, internal medicine, and some specialty physician shortages represent Hawai'i's greatest areas of need. Without these physicians, the people of Hawai'i do not have access to the health care they need. JABSOM has shown that eighty percent of graduates who complete their medical school and residency training in the State remain in Hawai'i to practice.

JABSOM serves as the Sponsoring Institution for the bulk of the civilian residency programs in Hawai'i, ensuring high-quality and accredited resident education programs or Graduate Medical Education (GME). The Hawai'i Island Family Medicine Residency program, sponsored by the Hilo Medical Center, plays a very important role in

addressing the rural family physician shortage, but additional resources are needed to expand training, in numerous high-need specialties throughout Hawai'i. JABSOM faculty provide educational program leadership and clinical supervision of about 230 residents and subspecialty fellow trainees in nineteen specialty programs annually. In Hawai'i, GME costs are largely borne by the University of Hawai'i and its affiliated health systems. Some federal dollars have been used by the health systems to cover a portion of the GME training costs. Even pre-COVID, all health systems that support GME have been fiscally constrained and unable to make significant investments in additional GME training positions, especially on the neighbor islands which are most acutely impacted by physician workforce shortages.

In addition, the GME programs sponsored by JABSOM are considered lower priority for new CMS GME positions based on current Federal definitions and regulations. Thus, to expand residency training, especially on the neighbor islands where it is most needed and in several specialty areas, JABSOM needs annual state investment to cover resident and administrative support personnel positions as well as partial salary support for practicing physicians to supervise and evaluate the trainees.

With the state's investment, JABSOM will be able to leverage existing partnerships to educate and train more physicians who will care for Hawai'i's residents, during and following their GME training.

Thank you for this opportunity to testify.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1547, H.D. 1

February 24, 2022
2:00 p.m.
Room 308 and Videoconference

RELATING TO GRADUATE MEDICAL EDUCATION

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1547, H.D. 1, appropriates an unspecified amount of general funds in FY 23 for the University of Hawai'i at Mānoa, John A. Burns School of Medicine, for the expansion of medical residency and training opportunities on the neighbor islands.

B&F notes that the FY 23 Executive Supplemental Budget includes a budget request to add 20.00 full-time equivalent positions and \$2,040,000 in general funds for the University of Hawai'i at Mānoa, John A. Burns School of Medicine, to create more medical residents and training opportunities on the neighbor islands.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



HAWAII MEDICAL ASSOCIATION

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HOUSE COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair

Date: February 24, 2022

From: Hawaii Medical Association

Elizabeth Ann Ignacio MD, Chair, HMA Legislative Committee

**Re: HB 1547 HD1 John A. Burns School of Medicine; Medical School and Residency Training; Graduate Medical Education; Neighbor Islands; Appropriation
Position: Support**

Currently Hawaii has 3,293 physicians providing care in our state, and there is a statewide shortage of 732 Full Time Equivalents (FTEs), as reported in the 2022 UH Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project. By county, the physician shortages are most critical on the neighbor islands (see chart below):

HMA supports this bill that would appropriate funds to create more residencies and training opportunities on the neighbor islands. It remains an important priority for Hawaii physicians to sustain quality healthcare in Hawaii and maintain the delivery of vital

Physician Shortage by County 2021

	Honolulu County	Maui County	Hawai'i County	Kauai County	Statewide
Shortage	344	158	187	43	732
Percent	15%	40%	40%	26%	22%

services to our underserved areas, particularly on the neighbor islands. This measure will improve our Hawaii physician workforce that remains critically low.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

CONTINUED

HMA OFFICERS

President – Angela Pratt, MD President-Elect – Elizabeth Ann Ignacio, MD
Immediate Past President – Michael Champion, MD Treasurer – Nadine Tenn Salle, MD
Secretary – Thomas Kosasa, MD Executive Director – Marc Alexander



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REFERENCES

Withy K et al. [UH System Annual Report to the 2022 Legislature on Findings from the Hawai'i Physician Workforce Assessment Project.](#)

Associated Press. Shortage of Hawaii Doctors Worsens During COVID-19 Pandemic. <https://www.usnews.com/news/best-states/hawaii/articles/2021-01-06/shortage-of-hawaii-doctorsworsens-during-covid-19-pandemic>

Hiraishi K. "Hawai'i Doctor Shortage Worsens Under Pandemic." Hawaii Public Radio. Jan 5, 2021. <https://www.hawaiipublicradio.org/post/hawai-i-doctor-shortage-worsens-underpandemic>

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February 24, 2022 at 2:00 pm
Via Videoconference

House Committee on Finance

To: Chair Sylvia Luke
Vice Chair Kyle T. Yamashita

From: Paige Heckathorn Choy
Associate Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 1547 HD 1, Relating to Graduate Medical Education

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** this measure, which would provide a substantial investment in establishing additional training opportunities for physicians in the state, especially in underserved areas. We understand that this measure is focused on expanding residency training opportunities on the neighbor islands, which we believe is an important expansion to help address the most underserved areas in our state.

The pandemic exacerbated existing workforce shortages in the state for physicians, nurses, and other allied healthcare professions that are critical to providing high-quality care for all residents in Hawaii. We support this critical investment in our physician workforce and would urge the legislature to continue their focus and support of all healthcare professions and building a robust healthcare workforce pipeline to ensure access now and into the future.

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Finance
The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair

February 24, 2022
2:00 p.m.
Via Videoconference

Re: HB 1547, HD1, Relating to Medical Education and Training

Chair Luke, Vice Chair Yamashita, and committee members, thank you for this opportunity to provide testimony on HB 1547, HD1, which appropriates 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.

Kaiser Permanente Hawai'i SUPPORTS HB 1547, HD1.

Kaiser Permanente Hawai'i is Hawai'i's largest integrated health system that provides care and coverage for approximately 265,000 members. Each day, more than 4,400 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and providers come to work at Kaiser Permanente Hawai'i to care for our members at our 20 medical facilities, including Moanalua Medical Center, providing high-quality care for our members, and delivering on our commitment to improve the health of the 1.4 million people living in the communities we serve.

We support HB 1547, HD1 because it will provide more residency opportunities on the neighbor islands, where healthcare providers are most needed. According to the latest Physician Workforce Assessment Annual Report, the physician shortage on Hawai'i Island, Maui County, and Kauai exceeds that of Oahu. We believe that by expanding residency training opportunities on the neighbor islands will acquaint graduate physicians with medicine in rural settings, plus strengthen and enlarge "faculty practice" on the neighbor islands.

We urge the committee to PASS HB 1547, HD1. Mahalo for the opportunity to testify on this important measure.

Thursday, February 24, 2022 at 2:00 PM
Via Video Conference

House Committee on Finance

To: Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

Re: **HB 1547, HD1 – Testimony In Support
Relating to Graduate Medical Education**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

I am writing in SUPPORT of HB 1547, HD1 which appropriates funds to create more residency positions and training opportunities on the neighbor islands at the John A. Burns School of Medicine (JABSOM).

Based on the most recent data from the Hawaii physician workforce assessment, the State has a shortage of almost 750 full-time physicians. Primary care, internal medicine, and some specialty physician shortages represent Hawaii's greatest area of need. Without these physicians, the people of Hawaii do not have access to the health care they need. The need for physicians is especially acute on the neighbor islands. JABSOM has shown that eighty per cent of graduates who complete their medical school and residency training, also known as their graduate medical education, in the State remain in Hawaii to practice.

In Hawai'i, graduate medical education costs are largely borne by the University of Hawaii and its affiliated health systems. Some federal dollars have been used by the health systems to cover a portion of the GME training costs. Pre-COVID, the health systems were constrained and unable to make significant investments in more GME training, especially on the neighbor islands that are most acutely impacted by physician workforce shortages. In addition, Hawai'i is considered a lower priority for new CMS GME positions based on current Federal definitions and regulations. Thus, to expand residency training, especially on the neighbor islands where it is most needed, JABSOM needs annual state investment to cover resident and administrative support personnel positions as well as

some salary support to allow practicing physicians sufficient time to supervise and evaluate the trainees.

With the state's investment, JABSOM together with the health systems will be able to educate and train more physicians who will care for Hawai'i's residents.

Thank you for the opportunity to testify.

TESTIMONY ON BEHALF OF HAWAII PSYCHIATRIC MEDICAL ASSOCIATION

To: Chair Sylvia Luke, Vice-Chair Kyle Yamashita
House Committee on Finance

From: Dr. Denis Mee-Lee, Legislative Committee Co-Chair
Hawaii Psychiatric Medical Association

Time: 2:00 p.m. February 24, 2022

Re: HB 1547, HD1 RELATING TO GRADUATE MEDICAL EDUCATION

Position: **SUPPORT**

Dear Chair Luke, Vice-Chair Yamashita and Members of the Committee on Finance:

The Hawaii Psychiatric Medical Association (HPMA) appreciates this opportunity to testify in support of HB 1547 HD1, relating to graduate medical education, which appropriates funds to expand graduate medical education programs on the neighbor islands.

HPMA represents between 100 and 200 Physicians, who, after four years of medical school, receive a minimum of four additional years of specialty training in Psychiatric hospitals, clinics and the community.

HPMA supports the legislature's efforts to address a significant shortage of primary care Physicians and Psychiatrists in the State – a shortage affecting our patients, their families and, by extension, health care in Hawai'i.

The ongoing COVID-19 public health emergency has highlighted the imperative for robust investments to address the nation's critical psychiatric workforce shortage.

The need in Hawai'i for quality Physicians and Psychiatrists is significant. Thank you for allowing HPMA to testify on HB 1547 HD1, which is an important step toward addressing the health care professional shortage.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
Members, House Committee on Finance

From: Jacce Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: February 24, 2022

Re: In Support of HB 1547 HD1: Relating to Graduate Medical Education

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 appreciates the opportunity to provide testimony in strong support of HB1547 HD1, which appropriate funds to the John A. Burns school of medicine (JABSOM) to expand graduate medical education programs to the neighbor islands. Queen's wholeheartedly supports the intent of these measures to help fund additional medical training for health care professionals seeking to train in and serve our neighbor island communities.

We support efforts to further develop our healthcare workforce given the projected workforce shortage facing our state; the 2022 Hawai'i Physician Workforce Assessment estimated the current shortage for physicians to be over 700. Queen's supports our local medical students and graduates who would like to live and work in Hawai'i through internship and residency programs. In FY 2019 Queen's contributed approximately \$16.4 million in education and training to support current and future health care professionals in the community.

Thank you for allowing us to provide this testimony in support of HB 1547 HD1.

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.



**Testimony to the House Committee on Finance
Thursday, February 24, 2022; 2:00 p.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 1547, HOUSE DRAFT 1, RELATING TO GRADUATE MEDICAL EDUCATION.

Chair Luke, Vice Chair Yamashita, and Members of the Joint 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. 2657, House Draft 1, RELATING TO GRADUATE MEDICAL EDUCATION.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live 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.

This bill, as received by your Committee, would appropriate an unspecified amount of general funds for fiscal year 2022-2023 for the creation of additional medical residencies and training opportunities for medical students on the neighbor islands.

This bill would take effect on July 1, 2060.

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.

Testimony on House Bill No. 1547, House Draft 1
Thursday, February 24, 2022; 2:00 p.m.
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This bill would provide the resources to develop the quality and stock of Hawaii's future healthcare workforce. Accordingly we commend this effort and wish to participate in any and all discussions concerning workforce development.

To demonstrate our commitment to this cause, I'm pleased to report the efforts made by one of our members toward expanding the residency opportunities of health care professionals in the State of Hawaii. (See, "Waianae Coast Comprehensive Health Center Receives HRSA Grant Funding to Establish a Family Medicine Residency in 2022", dated February 1, 2022, attached.)

The HPCA urges your favorable consideration of this 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.

attachment



**WAIANAЕ COAST
COMPREHENSIVE
HEALTH CENTER**
www.wcchc.com

**FOR IMMEDIATE RELEASE
February 1, 2022**

Contact: Joanne Keala Patterson
Director of Public Affairs
Cell: 808-295-3612/Office: 808-697-3457
Email: jpatterson@wcchc.com

**Waianae Coast Comprehensive Health Center Receives HRSA Grant Funding to
Establish a Family Medicine Residency in 2022**

Wai‘anae, Hawaii — Since Waianae Coast Comprehensive Health Center’s (WCCHC) inception 50 years ago, the health center has aimed to service its community with compassionate, culturally competent, and comprehensive medical care. WCCHC ‘s commitment to providing care beyond just the physical body has led to the development of programs offering our patients access to primary, preventive, and enabling services. Another pillar of WCCHC is the health center’s commitment to education.

WCCHC has developed and currently offers community-based and health professional training experience through multiple ventures - our A.T. Still University School of Osteopathic Medicine physician training program, New York University Dental Residency Program, Na Lei Kukui nationally-certified Nurse Practitioner Integrated Residency Program, our American Psychological Association-accredited Psychology Internship Program and NIMAA, the nationally recognized Medical Assistant training program. These programs have led to increased healthcare access to primary care, pediatric dentistry, and mental health for the Waianae Coast community

To continue this commitment to service through education, WCCHC is proud to announce the formation of a **Community Health Center-based Family Medicine Residency program at WCCHC**, established through the “Teaching Health Center Planning and Development” grant sponsored by the Federal Health Resources and Services Administration. It is anticipated that by 2030, Hawaii will need an additional 318 primary care providers to service our state and more specifically, the communities serviced by community health centers. This shortage is largely due to the aging of the physician ranks, adverse economic factors to practicing in Hawaii and to the lack of continuing education that is provided in the areas that need those providers the most. With the present paradigm, we will never be able to rectify this dearth.

The Family Medicine Residency program is WCCHC’s response to help meeting that need and building a sustainable future for our healthcare community. This future does not start in medical school and is best characterized by WCCHC Chief Medical Officer, Dr. Stephen Bradley, “It is our duty to be intimately involved in fostering the continuum of education from secondary school all the way through medical residency so that the community can heal itself with its medical providers giving back to the community that raised them, and in a culturally appropriate manner.” Together with our state partnerships, WCCHC hopes that this residency program will allow our local medical students more opportunities to stay in Hawaii for their residency training and aid in the longevity of provider-patient relationships that shape communities for generations.

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