



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

**Testimony in SUPPORT of SB164 SD2 HD1  
RELATING TO LOAN REPAYMENT FOR HEALTHCARE PROFESSIONALS.**

REP. KYLE T. YAMASHITA, CHAIR  
HOUSE COMMITTEE ON FINANCE

Hearing Date: March 30, 2023

Room Number: 308

- 1 **Fiscal Implications:** Proposed \$1M general fund appropriation as required match for federal
- 2 funds.
- 3 **Department Testimony:** The Department of Health (DOH) supports the State Loan Repayment
- 4 Program, which has demonstrated success at influencing a majority of participants – healthcare
- 5 providers of various specialties, not just physicians – to remain in Hawaii, practicing almost
- 6 exclusively in underserved areas.
- 7 DOH looks forward to continued partnership with the University of Hawaii John A. Burns
- 8 School of Medicine across a continuum of health care workforce initiatives.
- 9 **Offered Amendments:** N/A.



# UNIVERSITY OF HAWAII SYSTEM

## ‘ŌNAEHANA KULANUI O HAWAII

### Legislative Testimony

#### Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the  
House Committee on Finance  
Thursday, March 30, 2023 at 3:00 p.m.

By

Lee Buenconsejo-Lum, Interim Dean and  
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,  
Hawaii/Pacific Basin Area Health Education Center (AHEC) Director

John A. Burns School of Medicine

And

Michael Bruno, Provost  
University of Hawai'i at Mānoa

### SB 164 SD2 HD1 – RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to present testimony today. The John A. Burns School of Medicine (JABSOM) strongly supports SB 164 SD2 HD1, which seeks funding for the Hawai'i State Loan Repayment Program administered by JABSOM in the amount of \$1,000,000 for fiscal years 2023-2024 and 2024-2025.

Since September 2012, the Hawai'i State Loan Repayment program has been operating successfully, and has supported 76 recipients in exchange for work commitments in underserved geographic practice areas in Hawai'i. Of the loan repayment participants, 80% have remained in Hawai'i to practice, and more than half have remained at the site where they performed their service. As of this date, there are 23 active providers in the Hawai'i State Loan Repayment program with another 9 providers applying for JABSOM's Innovative Loan Repayment Program, which is also administered by JABSOM and uses non-federal monies to match State funds to support other local healthcare providers who do not meet the federal guidelines but who still work in an area of need.

The Hawai'i State Loan Repayment program leverages public funds and private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps Branch of the United States Department of Health and Human Services. Currently, health care professionals who have benefited from the loan repayment program serve on all islands and in the communities of Waimea, Kīhei, Wai'anae, Hilo, and Wailuku; at health clinics in Kalihi-Pālana and Kokua Kalihi Valley; and in public institutional settings at the federal detention center in Honolulu, the Hālawā correctional facility and the Maui County correctional center.

Health care professionals who are eligible to participate in the program include physicians, nurse practitioners, psychologists, social workers, and many others.

Many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of primary and behavioral health care professionals in the State. These shortages not only threaten individual health, but also cumulatively affect the State's health care costs. Areas of Hawai'i that have been designated by the federal government as medically underserved have been most significantly affected by shortages of primary and behavioral health care professionals, such as physicians, nurse practitioners, physician assistants, and psychologists. Social workers, marriage and family therapists, and nurses are also urgently needed in these areas.

In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path designed to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized practice in urban areas rather than in general practice on the neighbor islands or in underserved areas of O'ahu where the need is greatest. Furthermore, those states with robust primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to loan repayment programs to help develop a strong primary health care workforce for underserved areas.

An investment of State matching funds would enable JABSOM to draw as much federal money as possible and allow the program to provide loan repayment to more health care professionals in our ongoing efforts to alleviate the health care professional shortages in Hawai'i.

Thank you for this opportunity to testify.



STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHAHA

March 30, 2023

To: The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair and  
Member of the House Committee on Finance

Date: Thursday, March 30, 2023

Time: 3:00 p.m.

Place: Via Videoconference and Conference Room 308, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 164 SD2 HD1 RELATING TO LOAN REPAYMENT FOR  
HEALTH CARE PROFESSIONALS**

**I. OVERVIEW OF PROPOSED LEGISLATION**

**DLIR supports** this measure provided it does not conflict with the priorities identified in the Governor's Executive Budget request. SB164 SD2 HD1 proposes to appropriate funds subject to a matching funds requirement for Health Care Provider Loan Repayment Program administered through the John A. Burns School of Medicine of the University of Hawaii at Manoa.

**II. COMMENTS ON THE SENATE BILL**

Reducing the tremendous burden of student debt will encourage more health professionals to continue working in underserved areas and thereby help reduce the pressing need for healthcare workers in those areas. For this reason, the Department supports this bill as an effective strategy to address shortages in the healthcare workforce in medically underserved areas, provided sufficient funds are appropriated and its passage does not replace or adversely affect priorities identified in the Governor's Executive Budget request.



**Testimony to the House Committee on Finance  
Thursday, March 30, 2023; 3:00 p.m.  
State Capitol, Conference Room 308  
Via Videoconference**

**RE: SENATE BILL NO. 0164, SENATE DRAFT 2, HOUSE DRAFT 1, RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.**

Chair Yamashita, Vice Chair Kitagawa, 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. 0164, Senate Draft 2, House Draft 1, RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

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 unspecified amounts of general funds for fiscal years 2023-2024, and 2024-2025, for the Hawaii State Loan Repayment Program so long as these funds are matched on a dollar-for-dollar basis by funds from a private or another public source. The funds would be expended by the John A. Burns School Medicine of the University of Hawaii at Manoa.

The bill would take effect on June 30, 3000, for discussion purposes.

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 Senate Bill No. 0164, Senate Draft 2, House Draft 1**  
**Thursday, March 30, 2023; 3:00 p.m.**  
**Page 2**

This bill would provide the resources to continue a financial incentive that enhances 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.

**For this reason, the HPCA supports this bill.**

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](mailto:eabe@hawaiiipca.net).



## **SB164 SD2 HD1 Loan for Behavioral Health Workers**

COMMITTEE ON FINANCE

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

Thursday, Mar. 30, 2023: 3:00 : Room 308 Videoconference

### **Hawaii Substance Abuse Coalition supports SB164 SD2 HD1**

*ALOHA 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 for substance use disorder and co-occurring mental health disorder treatment and prevention agencies and recovery services.*

There is a huge shortage of behavioral health workers, including psychiatrist, psychologists, nurses, and social workers. So much news about it, we hardly need to justify it. However, here is a report from HRSA:

By 2030, we project these changes in demand for behavioral health workers:<sup>1</sup>

- 3% increase in demand for adult psychiatrists (to 39,550)
- 1% decrease in demand for child & adolescent psychiatrists (to 9,190)
- 15% increase in demand for nurse practitioners (to 12,050)
- 8% increase in demand for physician assistants (to 1,670)
- 5% increase in demand for psychologists (to 95,600)
- 12% increase in demand for social workers (to 268,750)
- 9% increase in demand for marriage & family therapists (to 57,970)
- 15% increase in demand for addiction counselors (to 105,410)
- 13% increase in demand for mental health counselors (to 158,850)
- 3% increase in demand for school counselors (to 119,140)

This loan matching program would certainly help.

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

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<sup>1</sup> Health Resources and Services Administration (HRSA) Behavioral Health Projections: August 2022  
<https://bhw.hrsa.gov/data-research/projecting-health-workforce-supply-demand/behavioral-health>



# Hawai'i Psychological Association

*For a Healthy Hawai'i*

P.O. Box 833

[www.hawaiipsychology.org](http://www.hawaiipsychology.org)

Phone: (808) 521 -8995

## COMMITTEE ON FINANCE

Representative Kyle T. Yamashita, Chair

Representative Lisa Kitagawa, Vice Chair

March 30, 2023 3:30 P.M. - VIA VIDEOCONFERENCE - ROOM 308

### TESTIMONY IN SUPPORT OF SB164, SB2, HD1, RELATED TO MENTAL HEALTH

The Hawaii Psychological Association strongly supports SB164 SD2, HD1 as a critical tool in improving access and meeting the overwhelming demand for quality mental health services by creating a loan repayment program for healthcare professionals.

Student loan debt can often run in the neighborhood of \$100,000, which limits the profession to the affluent. This bill would help increase the number of providers as well as diversify the profession - attracting minorities and the economically disadvantaged who can better identify with the needs of many Hawaii residents. Ultimately, this proposal will increase access to services.

In 2022, ratios of clients/patients to mental health providers in Hawai'i were reported as follows:

Hawai'i 320:1

Honolulu 370:1

Kauai 480:1

Maui 550:1

Moloka'i has no registered providers.

We are in the middle of a mental health crisis, particularly during and following the prolonged pandemic. This bill would address the need by supporting and increasing the pipeline of mental health professionals who may find the cost-of-living here in Hawaii otherwise a barrier to exploring educational and training opportunities.

Thank you for the opportunity to provide input on this important bill, and for your commitment to Hawaii's mental health.

Sincerely,

Alex Lichton, Ph.D.  
Chair, HPA Legislative Action Committee





**Written Testimony Presented Before the  
House Committee on Finance**

**HEARING: Thursday, 3-20-2023, 3:00PM**

**PLACE: House Conference Room 308 Via VIDEOCONFERENCE**

**By Hawai'i – American Nurses Association (Hawai'i-ANA)**



**SB164, SD2, HD1(HSCR 1361) – RELATED TO LOAN REPAYMENT FOR  
HEALTHCARE PROFESSIONALS**

Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance. Thank you for the opportunity to provide written testimony **in strong support of SB164**, loan repayment for healthcare professionals, including nurses.

We are the Hawai'i- American Nurses Association (Hawai'i-ANA), speaking for over 17,000 Registered Nurses in Hawai'i who care for patients every day in our state. The American Nurses Association (ANA) mission is to “Lead the profession to shape the future of nursing and health care”. ANA supports the nursing profession across the nation in standards of practice including the Code of Ethics, advocacy, certification, accreditation, advanced practice, and education, to evolve the practice of nursing and transform health and health care. Hawai'i-ANA “Empowers nurses to advocate for the improvement of the healthcare system in the communities where we live and work”.

Hawai'i-ANA acknowledges that reducing nurses personal expenses through loan repayment, is one way to recruit and retain these valued professionals in and across our state. This program has proven success year after year in supporting retention and recruitment of nurses across our state. Hawai'i-ANA provides testimony in strong support of this measure both for the intent of the measure and for full funding of this initiative.

Hawai'i-ANA respectfully asks the Committee to pass SB164. We thank your committee for its commitment to the people of Hawai'i, in ensuring access to high-quality nursing by supporting RN recruitment and retention efforts across the state.

Contact information for Hawai'i – American Nurses Association:

President: Dr. Nancy Atmospera-Walch, DNP, CCHN, FAAN, [president@hawaii-ana.org](mailto:president@hawaii-ana.org)  
Executive Director: Dr. Linda Beechinor, APRN, FNP-BC [executivedirector@hawaii-ana.org](mailto:executivedirector@hawaii-ana.org)  
phone (808) 779-3001 500 Lunalilo Home Road, #27-E, Honolulu HI 96825



**Written Testimony Presented Before the House  
Committee on Finance  
Thursday, March 30, 2023 at 3:00 PM  
Conference Room 308 and via Videoconference  
by  
Laura Reichhardt, APRN, AGPCNP-BC  
Director, Hawai'i State Center for Nursing  
University of Hawai'i at Mānoa**

**TESTIMONY IN SUPPORT on S.B. 164, S.D. 2, H.D. 1**

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee, thank you for the opportunity to testify **in support of S.B. 164, S.D. 2, H.D. 1**, loan repayment for health care professionals.

In Hawai'i, health care professionals are in high demand yet in low supply, particularly on the neighbor islands and in rural and underserved areas of our state. This includes all of Hawai'i and Kaua'i Counties as well as most of Maui County. O'ahu, though population dense, has areas that are medically underserved.

The Hawai'i State Center for Nursing acknowledges that supporting healthcare professionals including nurses, by reducing their personal expenses through loan repayment, is one way to recruit and retain these valued professionals in and across our state. This program has proven success year after year in supporting healthcare professionals in starting and continuing service in rural areas and underserved areas in our state. The Hawai'i State Center for Nursing (HSCN) provides testimony in support of this measure both for the intent of the measure and for full funding of this initiative. Further, HSCN agrees with and supports the testimony as submitted by University of Hawai'i John A. Burns School of Medicine.

*The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.*

To: Representative Kyle T. Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair  
House Committee on Finance (FIN)

From: Jennifer Lam Yuen  
Thursday, March 30, 2023

**Support for SB164 SD2 HD1**, Relating to Loan Repayment for Healthcare Professionals

Chair and Vice Chair of the House Committee on Finance, I am Jennifer Lam Yuen, a MSW student at the University of Hawaii at Manoa. I am submitting this testimony in support of SB164 SD2 HD1, which would appropriate funds to the Department of Health for the Hawaii State Loan Repayment Program for healthcare professionals.

- As a state, we ought to take every opportunity to invest in the health care of our residents. To pass this bill is to directly aid in the health care provider shortage, by removing one of the major barriers that causes providers to move out of state in the first place: student loan repayment.
- Healthcare practitioners should not have to choose between maintaining costs of living in Hawaii and repaying--generally speaking--ample student loan amounts; all while attempting to optimize the healthcare of their patients.
- As a behavioral health practitioner in training, I want to be able to stay on island and give back to my local community. This is an opportunity that would allow me and other practitioners to commit to the advancement of the livelihood of Hawaii's residents.
- With the evidence presented on the positive effects that loan repayment has on a community (an 80% healthcare provider retention), the passing of this bill is imperative.

I implore you to **pass SB164 SD2 HD1**, relating to the Loan Repayment for Healthcare Professionals. Mahalo for this opportunity to testify.

Jennifer Lam Yuen

Email: [jcly@hawaii.edu](mailto:jcly@hawaii.edu)



**March 30, 2023 at 3:00 p.m.**  
**Conference Room 308**

**House Committee on Finance**

To: Chair Kyle T. Yamashita  
Vice Chair Lisa Kitagawa

From: Robert Choy, MPH  
Director, Post-Acute Care  
Healthcare Association of Hawaii

Re: **Support**  
**SB 164 SD 2 HD 1, Relating to Loan Repayment for Health Care Professionals**

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 healthcare 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 more than 30,000 people statewide.

We would like to thank the committee for the opportunity to **support** this measure, which would provide funding for loan repayment at the John A. Burns School of Medicine (JABSOM) to support various healthcare professionals who practice in underserved areas. Investing in our healthcare workforce is critical because of the shortage of professionals in several categories in Hawaii, including physicians and other critical allied professionals. This funding will help to alleviate that shortage by creating opportunities directly in the state to train our healthcare workforce. By training professionals in-state, we are more likely to keep them and their skills here, serving patients in Hawaii.

We are supportive of the legislature's efforts to direct funding towards effective and important programs that will help to ensure that residents have access to needed care.

Thank you for your time and consideration of our testimony in support of this measure and funding.

Thursday, March 30, 2023 at 3:00 PM  
Via Video Conference; Conference Room 308

**House Committee on Finance**

To: Representative Kyle Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair

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

**Re: Testimony in Support of SB 164, SD2, HD1  
Relating to Loan Repayment For Health Care Professionals**

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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.

HPH writes in SUPPORT of SB 164, SD2, HD1 which appropriates funds for the Hawaii State Loan Repayment program administered by the John A. Burns School of Medicine (JABSOM).

The continuation of the Hawaii State Loan Repayment program that supports payments of educational debt for primary care and behavioral health physicians, nurse practitioners, physician assistants, psychologists, social workers, licensed professional counselors, marriage and family therapists and certified nurse midwives who work for non-profit organizations in Health Professions Shortage Areas of Hawaii plays a vital role in addressing the shortage of healthcare professionals in the state. Hawaii has a shortage of almost 800 doctors, and almost all other types of primary care and behavioral healthcare workers. Without these healthcare providers, the people of Hawaii do not have access to the healthcare they need. The shortage is most acute for those on the neighbor islands and those with the least resources. One of the fastest and least expensive methods for recruiting providers is through loan repayment.

JABSOM has successfully administered the program which has supported 76 healthcare providers since the program began in 2012. To date, nearly 2/3 of those providers continue to work in medically underserved communities.

Thank you for the opportunity to testify.

Testimony of  
Jonathan Ching  
Government Relations Director

Before:  
House Committee on Finance  
The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair

March 30, 2023  
3:00 p.m.  
Conference Room 308 & Via Videoconference

**Re: SB 164, SD2, HD1, Relating to Loan Repayment for Health Care Professionals**

Chair Yamashita, Vice Chair Kitagawa, and committee members, thank you for this opportunity to provide testimony on SB 164, SD2, HD1, which appropriates funds to the Department of Health for the Hawaii State Loan Repayment Program for Health Care Professionals, provided that the funds are matched on a dollar-for-dollar basis by funds from a private or another public source.

**Kaiser Permanente Hawai'i SUPPORTS SB 164, SD2, HD1.**

Kaiser Permanente Hawai'i is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 269,000 members in Hawai'i. In Hawai'i, more than 4,200 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai'i has more than 20+ medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the 1.4 million people living in the communities we serve.

Our rural areas continue to be the most underserved populations in Hawaii. Therefore, we appreciate inclusion of areas served by rural health clinics as part of underserved geographic areas. Hawai'i has a shortage of about 776 doctors, and almost all other types of primary care and behavioral healthcare workers. In 2022, approximately 60 physicians were found to have retired, 212 decreased their work hours, and 84 physicians left the state, further contributing to the physician shortage. Without these doctors and other healthcare providers, the people of Hawai'i do not have access to the healthcare they need. The shortage is most acute for those on neighbor islands and underserved areas served by rural health centers. The funding from this loan repayment program will create opportunities directly in the state to recruit and retain our physician and healthcare workforce.

We ask the committee to PASS SB 164, SD2, HD1. Mahalo for the opportunity to testify on this important measure.





## THE QUEEN'S HEALTH SYSTEM

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

From: Jace Mikulanec, Director, Government Relations, The Queen's Health System

Date: March 30, 2023

Re: Testimony in Support of SB164 SD2, HD1: Relating to Loan Repayment for Health Care Professionals

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The Queen's Health System (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 10,000 affiliated physicians, caregivers, and dedicated medical staff 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 support of SB164 SD2, HD1, which appropriates funds for the Hawaii state loan repayment program administered through the John A. Burns School of Medicine; provided that the funds are matched on a dollar-for-dollar basis by a private or another public source.

We support efforts to develop our healthcare workforce given the projected shortage in 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 2020 Queen's contributed approximately \$17 million in education and training to support current and future health care professionals in the community. The burden of student loans and Hawai'i's high cost of living can act as barrier to attracting and retaining healthcare professionals. This loan repayment program has a record of success in keeping quality health care professionals in our state and we wholeheartedly support funding this program moving forward.

Thank you for allowing us to provide this testimony in support of SB164 SD2, HD1.

*The mission of The Queen's Health System 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.*



To: The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
House Committee on Finance

From: Paula Arcena, External Affairs Vice President  
Mike Nguyen, Public Policy Manager

Hearing: Thursday, March 30, 2023, 3:00 p.m., Conference Room 308

RE: **SB164 SD2 HD1 Relating to Loan Repayment for Health Care Professionals**

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AlohaCare appreciates the opportunity to provide testimony in **support of SB164 SD2 HD1**, which would provide funding for the State's loan repayment program at the John A. Burns School of Medicine (JABSOM) to support various healthcare professionals who practice in underserved areas.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit, safety net health plan serving over 80,000 Medicaid and dual-eligible health plan members on all islands. Approximately half of our membership are keiki. We are Hawai'i's only health plan exclusively dedicated to serving Medicaid and Medicaid-Medicare dually-eligible beneficiaries. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for access to quality health care for all. We believe that health is about supporting whole-person health needs.

According to the 2022 Hawai'i Physician Workforce Assessment, Hawai'i has a shortage of almost 800 doctors. Workforce shortages are also seen across the spectrum of healthcare workers. This shortage means that in certain areas, residents are unable to obtain timely and appropriate health care.

AlohaCare is committed to improving access to care, which is why in 2012, AlohaCare and others provided funding for the state loan repayment program created by JABSOM Area Health Education Center. The program has successfully brought more healthcare workers to underserved areas across the state. And an overwhelming majority of the loan repayment recipients continue to practice in our community health centers and are vital to ensuring access to quality healthcare to underserved areas.

We support this measure as a critical and effective way to expand provider capacity and improve access to care for the residents of Hawai'i, especially our rural communities.

We are grateful to the Committee for considering this measure. Mahalo for this opportunity to testify in **support of SB164 SD2 HD1**.



**Hawaii Medical Association**

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814  
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

HOUSE COMMITTEE ON FINANCE  
Representative Kyle T Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair

Date: March 30, 2022  
From: Hawaii Medical Association  
Bernard Robinson MD, HMA Public Policy Committee

Re: SB164 SD2 HD1; RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

**Position: Support**

Currently, Hawaii has a statewide physician shortage of 776 Full Time Equivalents (FTEs), as reported in the UH System Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project. This deficit is 44 FTEs larger than one year ago. Since 2012, support from the Hawaii State Legislature in partnership with JABSOM, HMSA and Queens Medical Center through the State Loan Repayment Program has helped to recruit physicians to practice in Hawaii. HMA is grateful for the continued support of this financial assistance program, particularly for needed recruitment to counties like Hawaii and Maui, where provider shortages are as high as 40%. HMA also supports the expansion of this program to include incentives for psychologists and social workers.

It remains an important priority for Hawaii physicians to sustain quality healthcare in Hawaii and maintain the delivery of vital services to our underserved areas, particularly on the neighbor islands. The Loan Repayment Program must be sustained to support young physician trainees and improve our Hawaii physician workforce that remains critically low.

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

**2023 Hawaii Medical Association Officers**

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

**2023 Hawaii Medical Association Public Policy Coordination Team**

Elizabeth Ann Ignacio, MD, Chair • Beth England, MD, Co-Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

## REFERENCES

Withy K et al . UH System Annual Report to the 2023 Legislature on Findings from the Hawai'i Physician Workforce Assessment Project. [https://www.hawaii.edu/govrel/docs/reports/2023/act18-sslh2009\\_2023\\_physician-workforce\\_annual-report\\_508.pdf](https://www.hawaii.edu/govrel/docs/reports/2023/act18-sslh2009_2023_physician-workforce_annual-report_508.pdf)

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>

### **2023 Hawaii Medical Association Officers**

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

### **2023 Hawaii Medical Association Public Policy Coordination Team**

Elizabeth Ann Ignacio, MD, Chair • Beth England, MD, Co-Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

# THE KŪPUNA CAUCUS



FIN\_03-30-23 3pm Fin med prog.

TO: COMMITTEE ON FINANCE

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

CONCERNING: SB62 SD2 HD1 (HSCR1438) RELATING TO MEDICAL EDUCATION  
AND TRAINING,  
SB164 SD2 HD1 (HSCR1361) RELATING TO LOAN REPAYMENTS FOR  
HEALTH CARE PROFESSIONALS

POSITION: STRONG SUPPORT

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the committee

The Kūpuna Caucus of the Democratic Party of Hawai'i has a membership of more than 2,000 politically active and aware seniors and we support all programs which will help Hawaii expand and retain medical personnel at all levels in our state.

These bills will encourage medical students training in Hawaii to remain in Hawaii and hopefully begin to fill the enormous gaps in all health related area in our state. The availability of health services and professionals is directly related to the costs of education and in Hawaii the cost of living here and the additional GET taxes imposed on all medical procedures, supplies and earnings regardless of whether or not those taxes are paid by an insurance company.

These bills will address the first parts of the problem, which are the need for expanded programs, especially in nursing and the repayment of medical student loans which can be prohibitive and burden graduates for decades.

Please pass these bills

Martha Randolph for the  
Kupuna Caucus of the Democratic Party of Hawaii



March 30, 2023

The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
House Committee on Finance

Re: SB 164 SD2 HD1 – Relating to Loan Repayment for Health Care Professionals

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide testimony in support of SB 164 SD2 HD1, which appropriates funds to the Department of Health for the Hawaii State Loan Repayment Program for health care professionals and requires funds to be expended in coordination with the John A. Burns School of Medicine of the University of Hawaii at Manoa.

HMSA recognizes the challenges our communities face due to the shortage of health care professionals. We appreciate the collaborative efforts of both the public and private sectors as we try to address workforce development, increase accessibility to health care, and improve the wellbeing of our residents in underserved areas.

Thank you for the opportunity to testify in support of SB164 SD2 HD1.

Sincerely,

Dawn Kurisu  
Assistant Vice President  
Community and Government Relations



NATIONAL UNION OF  
HEALTHCARE WORKERS

866-968-NUHW • nuhw.org • info@nuhw.org

March 27, 2023

Representative Kyle Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair  
Committee on Finance  
Conference Room 308  
State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

RE: SB 164 SD1 RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS  
– **SUPPORT**

The National Union of Healthcare Workers (NUHW) represents 16,000 healthcare workers, including nearly 5,000 behavioral health providers and the 50 behavioral health workers at Kaiser Permanente Hawaii which recently ended a 172 day open-ended strike. NUHW fully supports the enactment of SB 164 SD1 which provides loan repayment for healthcare professionals who commit to work in federally-designated health professional shortage areas.

The shortage of behavioral healthcare professionals in Hawaii results, at its core, from the failure of major health plans to provide conditions of employment and reimbursements that convince providers to remain in practice serving insured patients. In that context, though, loan repayment programs can make an important difference for providers who struggle to make ends meet and may be considering withdrawing from the insurance market in Hawaii.

The loan repayment program administered by the John A. Burns school of medicine has already shown significant positive outcomes, and we believe that increased funding for this program will help attract and retain healthcare professionals in underserved areas, where their services are most needed. Providing financial support for healthcare professionals will help to address the high cost of education, which often limits graduates from pursuing careers in underserved areas, and incentivize them to choose a career path that aligns with the state's healthcare priorities.

Our recent experience in Hawai'i, where NUHW-represented mental health clinicians went on a 172-day strike to demand improvements in access to care, highlights the urgent need for such a law. Even though the strike resulted in a contract that guaranteed wage increases, preserved pensions for new hires, and included provisions for bilingual therapists, it's still not enough to address the understaffing crisis that forces patients to wait months for mental health therapy.

We urge the legislature to pass this bill and appropriate the necessary funds to support the Hawaii State Loan Repayment Program.



# Hawai'i Psychological Association

*For a Healthy Hawai'i*

P.O. Box 833  
Honolulu, HI 96808

www.hawaiipsychology.org

Phone: (808) 521 -8995

## COMMITTEE ON FINANCE

**Rep. Kyle T. Yamashita, Chair**

**Rep. Lisa Kitagawa, Vice Chair**

**March 30, 2023 - 3:00PM - Via Videoconference – Rm 308**

### TESTIMONY IN SUPPORT OF SB164 SD2 HD1, RELATED TO MENTAL HEALTH

The Hawaii Psychological Association strongly supports SB164 SD2 HD1 as a critical tool in improving access and meeting the overwhelming demand for quality mental health services by creating a loan repayment program for healthcare professionals.

Student loan debt can often run in the neighborhood of \$100,000, which limits the profession to the affluent. This bill would help increase the number of providers as well as diversify the profession - attracting minorities and economically disadvantaged who can better identify with the needs of Hawaii's residents. Ultimately, this proposal will increase access to services.

In 2022, ratios of clients/patients to mental health providers in Hawai'i were reported as follows:

Hawai'i 320:1

Honolulu 370:1

Kauai 480:1

Maui 550:1

Moloka'i has no registered providers.

We are in the middle of a mental health crisis, particularly during and following the prolonged pandemic. This bill would address the need by supporting and increasing the pipeline of mental health professionals who may find the cost-of-living here in Hawaii otherwise a barrier to exploring educational and training opportunities.

Thank you for the opportunity to provide input on this important bill, and for your commitment to Hawaii's mental health.

Sincerely,

Alex Lichton, Ph.D.

Chair, HPA Legislative Action Committee



**COMMITTEE ON FINANCE**  
**Rep. Kyle T. Yamashita, Chair**  
**Rep. Lisa Kitagawa, Vice Chair**

**March 30, 2023 - 3:00PM - Via Videoconference – Rm 308**

**TESTIMONY IN SUPPORT OF SB164 SD2 HD1, RELATED TO MENTAL HEALTH**

The National Association of Social Workers – Hawaii Chapter strongly supports SB164 SD2 HD1 as a critical tool in improving access and meeting the overwhelming demand for quality mental health services by creating a loan repayment program for healthcare professionals.

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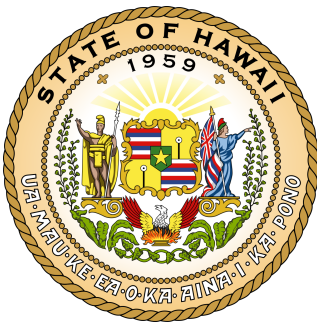
We are in the middle of a mental health crisis, particularly during and following the prolonged pandemic. This bill would address the need by supporting and increasing the pipeline of mental health professionals who may find the cost-of-living here in Hawaii otherwise a barrier to exploring educational and training opportunities.

Thank you for the opportunity to provide this testimony in support.

Sincerely,

 *Sonja Bigalke-Bannan*, MSW, LCSW

Sonja Bigalke-Bannan, MSW, LCSW  
Executive Director,  
National Association of Social Workers- Hawaii'i Chapter



**The Honorable Chair Sen. Kyle Yamashita  
House Committee on Finance  
SB 164, RELATING TO LOAN REPAYMENT  
FOR HEALTH CARE PROFESSIONALS**

Thursday, March 30th, 2023 at 3:00pm  
Hawai'i State Capitol Conference Room 308 & Videoconference

Dear Chair Senator Yamashita, Vice Chair Senator Kitagawa, and members of the Committee:

I would like to testify **in support of SB 164**. I am currently a graduate student at UH Mānoa's Thompson School of Social Work specializing in behavioral mental healthcare. I have seen firsthand in my work how important it is for clients to have access to both primary care and mental healthcare. **Residents suffer when there are not enough providers on-island to keep care accessible and timely.**

- Hawaii is experiencing a shortage of between 700 and 1,000 physicians statewide<sup>3</sup>
- 173,000 adults in Hawaii have mental health conditions, and 69.1% go untreated<sup>4</sup>
- Among most-needed health services are psychiatry, mental health counseling, & primary care<sup>23</sup>
- Family physicians can fill in the gaps where mental healthcare & psychiatric services are lacking, particularly in rural and underserved communities<sup>1</sup>
  - Between 40 and 50% of **family physicians report providing mental health services**<sup>1</sup>
- Health provider **retention in rural areas is higher when loan repayment is offered in return**<sup>5</sup>

**Providing loan repayment** to healthcare professionals in exchange for commitments of service to the Hawaiian people could **address shortages and provide relief** for patients who report significant wait times for appointments, feeling rushed during visits, and having to travel long distances to receive care, if they are able to book an appointment at all.<sup>2</sup>

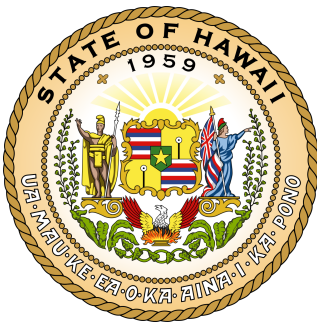
1 Xierali, I. M., Tong, S. T., Petterson, S. M., Puffer, J. C., Phillips, R. L., & Bazemore, A. W. (2013). Family physicians are essential for mental health care delivery. *The Journal of the American Board of Family Medicine*, 26(2), 114-115.

2 Ordiono, C. (2022). 'Survey: Doctor shortages lead to health care delays in Hawaii'. *Honolulu Civil Beat*. <https://www.civilbeat.org/2022/07/survey-doctor-shortages-lead-to-health-care-delays-in-hawaii/>

3 Dimaya, D. (2021). 'Report finds Hawai'i physician shortage exacerbated by the pandemic'. *John A. Burns School of Medicine*. <https://jabsom.hawaii.edu/report-finds-hawai-i-physician-shortage-exacerbated-by-the-pandemic/>

4 Fukumoto, M. (2023). 'Beth Fukumoto: We passed crisis level with mental health services a long time ago'. *Honolulu Civil Beat*. <https://www.civilbeat.org/2023/03/beth-fukumoto-we-passed-crisis-level-with-mental-health-services-a-long-time-ago/>

5 Russell, D., Mathew, S., Fitts, M., Liddle, Z., Murakami-Gold, L., Campbell, N., Ramjan, M., Zhao, Y., Hines, S., Humphreys, J. S., & Wakerman, J. (2021). Interventions for health workforce retention in rural and remote areas: a systematic review. *Human resources for health*, 19(1), 103. <https://doi.org/10.1186/s12960-021-00643-7>



I support SB 164, as it has the potential to not only recruit, but importantly retain urgently needed healthcare practitioners in the state, by encouraging providers to enter into long-term commitments of service as a stipulation of the program. I would like to close with some comments:

- In my opinion, **more research is needed** to determine whether loan repayment alone is a sufficient incentive for professionals who might otherwise find the high cost of living prohibitive to working in Hawaii.
- I urge legislators to **weigh other options to make Hawaii an attractive option for healthcare providers**, such as providing housing stipends, higher reimbursement rates, or other incentives.

Thank you for your time and the opportunity to testify.

Respectfully,  
Paxton Charles

1 Xierali, I. M., Tong, S. T., Petterson, S. M., Puffer, J. C., Phillips, R. L., & Bazemore, A. W. (2013). Family physicians are essential for mental health care delivery. *The Journal of the American Board of Family Medicine*, 26(2), 114-115.

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<https://www.civilbeat.org/2023/03/beth-fukumoto-we-passed-crisis-level-with-mental-health-services-a-long-time-ago/>

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**SB-164-HD-1**

Submitted on: 3/29/2023 8:33:38 AM

Testimony for FIN on 3/30/2023 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Esther Smith	Individual	Support	In Person

Comments:

Loan repayment is used as a recruitment tool for providers. It would be unfortunate if Hawaii were to continue to be ranked as the worst state to practice in the US.

**SB-164-HD-1**

Submitted on: 3/29/2023 4:11:45 PM

Testimony for FIN on 3/30/2023 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Alison Kaneshiro	Individual	Support	Written Testimony Only

Comments:

Aloha Senators!

Loan repayment is critical in healthcare shortage areas. Generally, in very rural or very poor areas, there is need for more primary care providers. Having continued loan repayment incentives in Hawaii will help to secure the healthcare professionals needed to care for Hawaii's residents. As you already know, more than fifty percent of those in the program elect to stay in Hawaii following their commitment. In addition, retention in rural areas is increased with other financial incentives such as reduced cost of malpractice insurance and increasing salaries. Work-life balance, support staff, professional back up, and education for their children also influence retention. It is crucial to retain providers in rural areas for improving outcomes for vulnerable populations. Loan repayment recipients are likely to remain in rural areas in contrast to other incentives such as visa waivers (Russell, et al., 2021).

I support this SB 164 SD2 HD1. Mahalo for your time.

**Reference**

Russell, D., Mathew, S., Fitts, M., Liddle, Z., Murakami-Gold, L., Campbell, N., Ramjan, M., Zhao, Y., Hines, S., Humphreys, J. S., & Wakerman, J. (2021). Interventions for health workforce retention in rural and remote areas: a systematic review. *Human resources for health*, 19(1), 103. <https://doi.org/10.1186/s12960-021-00643-7>



The Hawaiian Islands Association  
for Marriage and Family Therapy  
(HIAMFT)

We know systems.  
We know relationships.  
We know FAMILY MATTERS.

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COMMITTEE ON FINANCE  
Rep. Kyle T. Yamashita, Chair  
Rep. Lisa Kitagawa, Vice Chair

March 30, 2023 - 3:00PM - Via Videoconference – Rm 308

TESTIMONY IN SUPPORT OF SB164 SD2 HD1, RELATED TO MENTAL HEALTH

The Hawaiian Islands Association for Marriage and Family Therapy strongly supports SB164 SD2 HD1 as a critical tool in improving access and meeting the overwhelming demand for quality mental health services by creating a loan repayment program for healthcare professionals.

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Thank you for the opportunity to provide this testimony in strong support of this bill.

Sincerely,

Dr. John Souza, Jr., LMFT, DMFT, President  
The Hawaiian Islands Association for Marriage and Family Therapy