



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

**Testimony in SUPPORT of SB262 SD2
RELATING TO MEDICAL RESIDENCY PROGRAMS.**

REP. AMY PERRUSO, CHAIR
HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

Hearing Date: March 15, 2023

Room Number: 309

- 1 **Fiscal Implications:** Unspecified general fun appropriation requiring matching funds.
- 2 **Department Testimony:** The Department of Health (DOH) supports a constellation of
- 3 programs to assure Hawaii's produces, recruits, and retains physicians to meet the needs of all
- 4 residents regardless of location or socio-economic status. Expanding local medical residency
- 5 programs is extremely important, since decades of data show that a physician is more likely to
- 6 remain and practice in the area of their residency.
- 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 Higher Education and Technology
Wednesday, March 15, 2023 at 2:00 p.m.

By

Lee Buenconsejo-Lum, MD, FAAFP, Interim Dean
John A. Burns School of Medicine
University of Hawai‘i at Mānoa

And

Michael Bruno, PhD
Provost

University of Hawai‘i at Mānoa

SB 262 SD1 – RELATING TO MEDICAL RESIDENCY PROGRAMS

Chair Perruso, Vice Chair Kapela, and Members of the Committee:

Thank you for the opportunity to present testimony today. The John A. Burns School of Medicine (JABSOM) provides COMMENTS on SB 262 SD1 which appropriates money to support and expand physician residency training programs in state teaching hospitals. The measure requires dollar-for-dollar matching funds from private funding sources.

The University of Hawai‘i supports the intent of this measure, provided that its passage does not impact priorities as indicated in the University’s Board of Regents Approved Executive Biennium Budget. We appreciate the intent of SB 262 SD1 in attempting to provide a solution to the issue of funding medical education training. However, the restriction of requiring a one-to-one match in private funds is problematic and may impair federal and other funding received for medical residency programs. Additionally, as JABSOM, and not the Department of Health, is the sponsoring entity for the residency programs in the state, JABSOM should be named as the expending agency of the appropriation. Accordingly, we suggest amendments to address these concerns.

In Hawai‘i, graduate medical education costs are largely borne by the University of Hawai‘i and its affiliated health systems. JABSOM serves as the Sponsoring Institution for the bulk of the civilian residency programs in Hawai‘i, ensuring high-quality and accredited medical resident education programs or Graduate Medical Education (GME). JABSOM faculty provide educational program leadership and clinical supervision of about 230 residents and fellow trainees annually. Funding for about 80% of per-resident FTE of salary and educational costs can be reimbursed to the hospitals by Center for Medicare and Medicaid Services (CMS) GME training dollars and a smaller amount of Veteran’s Administration (VA) GME training dollars. Hospital operational funds cover the remainder of trainees’ costs, program support staff members, and additional educational

costs mandated by the accrediting body. JABSOM supports a portion of faculty leadership time to administer the educational programs, in addition to administrative costs to support the educational programs and accreditation.

Pre-COVID, the health systems were constrained and unable to make significant investments to result 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, we need 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 and help develop or expand new programs for medical students and residents. However, if the state funding is tied to the requirement of dollar-for-dollar matching funds from private sources, this would result in the already cash-strapped health systems, a key source of private funding supporting residency training, increasing their contributions. The health systems will likely be unable to absorb this additional expense.

The John A. Burns School of Medicine has engaged in strategies to increase the number of physicians in Hawai'i by enrolling more students, rotating medical students to the neighbor islands for preclinical (up to 14 weeks) rotations, developing longitudinal third-year rotation sites where a small number of students are in the same location for 5.5 months, developing a small number of sites for 4-week fourth year clinical rotations, developing residency or fellowship rotations, and administering the state's loan repayment program that places recipients in underserved communities, especially the neighbor islands, among other endeavors. State funding that is not tied to the requirement of matching private monies would enable JABSOM to expand training opportunities to the neighbor islands.

PROPOSED AMENDMENTS:

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ _____ or so much thereof as may be necessary for fiscal year 2023-2024 and the same sum or so much thereof as may be necessary for fiscal year 2024-2025 for supporting and expanding physician residency training programs in Hawaii's teaching hospitals. [~~provided that no funds shall be released unless matched dollar for dollar by private funding sources.~~]

The sums appropriated shall be expended by the [~~medical education council in cooperation with the department of health~~]John A. Burns School of Medicine of the University of Hawai'i for the purposes of this Act.

Thank you for the opportunity to provide this testimony.



**Testimony to the House Committee on Higher Education and Technology
Wednesday, March 15, 2023; 2:00 p.m.
State Capitol, Conference Room 309
Via Videoconference**

RE: SENATE BILL NO. 0262, SENATE DRAFT 1, RELATING TO MEDICAL RESIDENCY PROGRAMS.

Chair Perruso, Vice Chair Kapela, 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. 0262, Senate Draft 1, RELATING TO MEDICAL RESIDENCY PROGRAMS.

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 years 2023-2024 and 2024-2025, to be expended by the Medical Education Council in cooperation with the Department of Health, for supporting and expanding physician residency training programs in Hawaii's teaching hospitals; provided that no funds be released unless matched dollar-for-dollar by private funding sources. This bill would take effect on July 1, 2050.

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. 0262, Senate Draft 1
Wednesday, March 15, 2023; 2:00 p.m.
Page 2

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.

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.



Hawaii Medical Association

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

COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

Rep. Amy A. Perruso, Chair
Rep. Jeanne Kapela, Vice Chair

Date: March 15, 2023
From: Hawaii Medical Association
Bernard Robinson, MD, HMA Legislative Committee

Re: SB 262 SD1, Relating to Medical Residency Programs
Position: Support

This measure would appropriate money to support and expand physician residency training programs in state teaching hospitals.

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 greater than in last year's report. By county, the physician shortages are most critical on the neighbor islands (see chart below):

UH AHEC 2022 Physician Shortage by County

2022	Hawai'i	Honolulu	Kaua'i	Maui	Statewide
Shortage	183	382	45	167	776
Percent	37%	15%	26%	40%	22%

HMA supports appropriation of funding to create additional residency positions and training opportunities. Over 50% of physicians who complete their residency training in Hawaii will stay to practice locally. It is vital that Hawaii have an adequate physician workforce to deliver medical care to our entire state, particularly underserved areas on neighbor islands. This measure will help address our critical physician workforce shortage.

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

Withy K et al . [UH System Annual Report to the 2023 Legislature on Findings from the Hawai'i Physician Workforce Assessment Project.](#)

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

Moore B. Bringing students home to fix Hawaii's doctor shortage. KHON 2 Jan 5 2023.
<https://www.khon2.com/local-news/bringing-students-home-to-fix-hawaiis-doctor-shortage/>

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-under-pandemic>

Table C6. Physician Retention in State of Residency Training, by (n.d.). Retrieved February 13, 2023, from <https://www.aamc.org/data-reports/students-residents/interactive-data/report-residents/2019/table-c6-physician-retention-state-residency-training-state>.

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