

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 164
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 164 entitled:

"A BILL FOR AN ACT RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds 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.

Your Committee received testimony in support of this measure from the Department of Health, Department of Labor and Industrial Relations, John A. Burns School of Medicine of the University of Hawai'i at Mānoa, Hawai'i State Center for Nursing, Kaiser Permanente Hawai'i, Hawai'i-American Nurses Association, Hawaii Substance Abuse Coalition, Hawai'i Primary Care Association, Hawaii Medical Association, Hawai'i Pacific Health, Healthcare Association of Hawaii, and one individual.

Your Committee finds that Hawaii faces a critical need for recruitment and retention of physicians to serve in rural and medically underserved areas of the State. Your Committee also finds that the increasingly high cost of education for health care professionals drive graduates to practice in highly specialized fields of care in urban areas, where they are given sufficient



income to repay costly student loans. This has resulted in less health care professionals in rural areas of the State, where the need for their service is vital. Additionally, since 2012, the Hawaii State Loan Repayment Program administered by the John A. Burns School of Medicine has successfully provided loan repayments to seventy-six individuals, in exchange for work commitments in underserved geographic practice areas in Hawaii. Eighty percent of the seventy-six individuals remained in Hawaii, while sixty-one percent remained at the site where they performed their service. Therefore, this measure aims to appropriate funds to the Department of Health to fund the Hawaii State Loan Repayment Program for the continuation of financial incentives to health care professionals working in health care shortage areas of the State.

Your Committee has amended this measure by:

- (1) Inserting "branch" to the loan program name, to read "National Health Service Corps Branch Loan Repayment Program"; and
- (2) Inserting an effective date of December 31, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 164, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 164, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



