



# 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 Human Services and  
House Committee on Health & Homelessness  
Tuesday, February 7, 2023 at 8:45 a.m.

By

Lee Buenconsejo-Lum, Acting Dean  
and

Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,  
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director  
John A. Burns School of Medicine

And

Michael Bruno, Provost  
University of Hawai'i at Mānoa

#### HB 1367 – RELATING TO PROFESSIONAL MEDICAID SERVICES

Chairs Mizuno and Belatti, Vice Chairs Amato and Takenouchi, and Members of the  
Committees:

Thank you for the opportunity to provide testimony in SUPPORT of HB 1367 which  
appropriates funds to increase Medicaid payments to eligible health care professionals  
up to 100% of the current Medicare rates.

Primary care, specialty care, and behavioral health professionals overwhelmingly desire  
to treat patients of all backgrounds, regardless of insurance coverage. The Hawai'i  
Medicaid professional fee schedule is currently set at 60% of Medicare for the majority  
of professional services. This low reimbursement rate has a negative impact on the  
ability of medical professionals to treat an increased number of Medicaid patients.

The current Medicaid professional fee schedule also increases the challenge of  
recruiting and retaining providers in the state, since Hawai'i is competing against the  
rest of the nation for an adequate workforce. Hawai'i faces a shortage of almost 800  
physicians. Through the surveys of physicians conducted by the John A. Burns School  
of Medicine (JABSOM) at the Hawai'i Health Workforce Summit as to what could be  
done to recruit and retain more physicians, the fourth most popular answer from the 274  
respondents to the survey was eliminating the GET on medical services. Physicians  
who have left the State indicate that the extra cost of caring for Medicare, Medicaid and  
Quest patients makes it financially burdensome to continue practicing here. For the  
same reason, many physicians no longer see this group of patients.

Many of the faculty JABSOM rely on to train our students and residents are struggling, especially on the Neighbor Islands. Providing Medicaid payments at 100% of the Medicare rate would help to keep these providers in practice, improve access to care and access to learning environments that teach our students to provide high quality, compassionate care for all patients, regardless of the ability to pay. This measure provides funding that is a necessary and meaningful step toward addressing long standing health inequities that exist in this state.

Thank you for the opportunity to provide testimony on this bill.