

Testimony Presented Before the House Committee on Finance

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by
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## SB 2961 SD1, HD1 - RELATING TO HEALTH

Chair Takamine, Vice Chair Kawakami, and members of the Committee, thank you very much for the opportunity to provide testimony in support of Senate Bill 2961 SD1, HD1, and in particular to request that support for the Cancer Research Center of Hawai'i (CRCH) be reinstated in this bill. As you may know, the Committee on Health passed SB 2961 SD1, but in HD1 eliminated the Cancer Research Center of Hawai'i and the two other tobacco-related beneficiaries from the proposed tobacco tax increase, and replaced them with the UH School of Medicine, the Emergency Medical Services Special Fund, the Trauma Care Fund, and the Community Health Centers.

Whereas all seven possible beneficiaries represent worthy causes for our State, we feel strongly about support for the benefits that a Comprehensive Cancer Center in Hawai'i would bring.

The Cancer Research Center of Hawai'i is currently one of 61 National Cancer Institute (NCI) designated Cancer Centers in the country. NCI-designation for a Cancer Center is a highly coveted distinction, awarded after a rigorous review of the breadths, depth, and quality of the research programs. NCI-designated Cancer Centers include large and well-known Cancer Centers on the mainland such as the MD Anderson Cancer Center in Houston and the Fred Hutchinson Cancer Center in Seattle. But, they also include Cancer Centers at many state institutions that can be considered peers of UH, such as the University of Alabama, the University of Nebraska, and the University of New Mexico, to name a few.

NCI-designated Cancer Centers have become the magnets for cancer research funding, and collectively receive two-thirds of all NCI research grants and contracts. Those NCI-designated Cancer Centers with a clinical care component represent the centers of excellence for cancer care in the regions that they serve because of the high quality of the faculty and the availability of access to innovative clinical trials and translational research protocols.

Because of the great value that NCI-designated Cancer Centers represent for their institutions and states in terms of research dollars, scientific reputation, and quality of cancer care, they are the beneficiaries of significant financial support from their states. In addition, there are approximately 15 Cancer Centers around the country who are seeking NCI-designation in the near future. These organizations also receive significant support from their states. In contrast, our Cancer Center is one of the smallest NCI-designated Cancer Centers in the country, and barely fulfils the minimal criteria for NCI-designation. Furthermore, state support of our Cancer Center through the UH budget has been minimal and, in fact, decreasing over the past decade. Given the incredible competition for NCI-designation by mainland Cancer Centers, it is, unfortunately, an easy conclusion that we will not be able to maintain our NCI-designation without a significant and sustained infusion of additional resources from the state.

As you are aware, the UH Board of Regents has decided to build a new Cancer Center building in Kakaʻako, adjacent to the new medical school facilities. The new Cancer Center in Kakaʻako will not only provide expanded facilities for the research programs of our Cancer Center, but will also house a state-of-the-art cancer care facility which will be jointly operated between the University of Hawaiʻi and several major hospitals in the state.

The new Cancer Center in Kaka'ako will be able to offer comprehensive cancer treatment to our cancer patients in the State of Hawai'i. Coordinated and comprehensive cancer care is currently lacking in our state as identified in the report by the Governor's Blue Ribbon Panel on Cancer Care. The new Cancer Center in Kaka'ako will remedy this situation. In addition, many cancer patients currently leave the Islands for access to enrollment in clinical trials with novel treatment modalities that are only available at large academic NCI-designated Cancer Centers on the mainland. Our new Cancer Center will provide access to such trials and will minimize the need for our cancer patients to leave the Islands. Access to comprehensive cancer care and clinical trials will not be limited to O'ahu. Through the cooperation of hospital partners, the new Cancer Center will have satellite facilities on the neighbor islands, thereby providing access to the same quality of care and clinical trials available on O'ahu.

The new Cancer Center building in Kaka'ako, for which groundbreaking will occur this year with your help, will require a sustained infusion of resources. In addition to the \$10 million appropriated from the federal budget, the bulk of the construction costs will be provided by the developer selected by the UH Board of Regents in March 2005. As such, with the occupancy of the new building, costs for operation and maintenance of the new facility as well as rent payment to the developer will need to be satisfied. Moreover, many services that are part of comprehensive cancer care centers are not reimbursable and require other sources of support. We will also need resources to attract highly qualified physician-scientists to join the new Cancer Center.

If the opportunity to support the Cancer Research Center of Hawai'i through a portion of the proposed tobacco tax revenue is missed, it will have multiple detrimental consequences:

- The historical opportunity to build a Comprehensive Cancer Center in the State with the ensuing benefits for Hawai'i's cancer patients will be lost. Cancer is the leading cause of death for Americans of Asian or Pacific Islander ancestry, and the leading cause of death for all Americans below age 85.
- Without a significant increase in support and a chance to expand into the clinical research area, it is highly likely that our Cancer Center will lose its coveted designation as an NCI-designated Cancer Center.
- Lack of a sustained stream for the new Cancer Center building will stall its planned construction in Kaka'ako with negative consequences for the momentum of biotech development in the State.

In summary, the 50% of the increased tobacco tax that was initially proposed in Senate Bill 2961 would provide the much needed sustained infusion of resources to keep our Cancer Center competitive with mainland institutions and to help us in the development of a world class Cancer Center in Honolulu that will provide state-of-the-art cancer care to patients statewide. This is all the more important as the demographics of our state with its rapidly increasing aging population will be faced with an ever increasing number of cancer patients in the foreseeable future. By the year 2030 the current number of approximately 5,500 new cancer cases per year in our state will double to approximately 11,000 new cases. We need to be prepared to take care of the growing number of cancer patients.

In closing, the University strongly urges you to reinstate the Cancer Research Center of Hawai'i as a beneficiary of the proposed increase in tobacco tax.

Thank you very much