



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Health and
House Committee on Higher Education
March 22, 2011, 11:15 a.m.

by

Virginia S. Hinshaw, Chancellor
and

Mary G. Boland, DrPH, RN, FAAN Dean and Professor
School of Nursing and Dental Hygiene
and

Jerris R. Hedges, MMM, MD Dean and Professor
John A. Burns School of Medicine
University of Hawai'i at Mānoa

SB 596 SD2 – RELATING TO HAWAII HEALTH CORPS

Chair Yamane, Chair Nishimoto, and members of the House Committees on Health and Higher Education, thank you for this opportunity to provide testimony in support of this bill SB 596 SD2.

We previously supplied testimony requesting that the loan program, if established, consider both physician and nurse practitioner recruitments within the program. We thank you for including these amendments in SB596 SD2.

This bill actually contains a number of methods to improve our chances of increasing access to primary care providers in the state of Hawai'i including the loan program, the funding of the planned family residency in Hilo, and the potential for funding residents in other neighbor islands by expanding the current residency in Wahiawa.

We realize that there are significant budget challenges facing the legislature. Therefore in today's testimony we would like to focus on that aspect of the bill that supports the Hilo residency.

For many years now there has been a ongoing effort to establish training of family physicians in the neighbor islands. With the support of the community, public and provide supports, we have established a teaching clinic at Hilo and we are recruiting physician teachers to the site. In order to succeed in this project, we will need to complete the recruitment of the residency program director and apply for the residency accreditation. If successful, we will need in the budget of the Hilo Medical Center, sufficient funds to hire the 4 residents and provide secretarial and physician leadership support.

The financial support of residency training in the United States is done primarily through federal funding from the Centers for Medicare and Medicaid (CMS) that is provided to hospitals that document the residency related costs on their CMS cost report. This means that HMC will need to “front” the salaries of the residents as we build the program over 3 years with only partial reimbursement from CMS.

Therefore, we are asking for budget support directly to Hilo Medical Center (line item in their budget and cost report) that amounts to \$ 200,000 in FY 2012, and \$ 510,000 in FY 2013. This will go directly to salary support of the program director, program secretary and the resident salaries. Part of this may be recoverable from CMS in 2014 and then available to be used to help partially fund the residency in an ongoing fashion.

We also recommend continued funding to JABSOM of \$ 100,000 in each year to assign faculty from the medical school to the oversight of the development of the program in Hilo.

As stated in our previous testimony, we support the loan program proposed in SB 596 SD2 and if some smaller portion of this program can be funded, it would help in our recruitment efforts state wide. However, if we must prioritize what is funded from this bill, we want the committee to know that the Hilo Residency is at a critical stage in its development. We have come a long way and must now complete the process with the actual implementation of the residency at the Hilo Medical Center. Failure to fund the positions now would arrest our progress and could result in the project stalling and then failing.

Therefore we respectfully request that at a minimum, this programmatic funding be provided for in SB596 SD2.