



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
Senate Committee on Ways and Means
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SB 113 SD1 – RELATING TO THE HAWAII STATE LOAN REPAYMENT PROGRAM

Chair Tokuda, Vice Chair Kouchi, and members of the committee:

The University of Hawai'i supports SB 113 SD1, provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Biennium Budget. Compared to the U.S. average, Hawai'i has a shortage of over 800 doctors for its demographics, and almost all other categories of primary and behavioral health care providers. Without these healthcare providers, the people of Hawai'i will not have ready access to the healthcare they need. The need is most acute for those on neighbor islands, and those with the least economic resources. The fastest and most cost effective way to recruit providers to areas of need is by paying back their loans in return for continuous service to that area. Indeed, Hawaii may lose newly trained healthcare providers to other states with effective loan repayment programs.

In 2012, the John A. Burns School of Medicine's (JABSOM) Area Health Education Center created a state loan repayment program with private donations from HMSA, Queen's and AlohaCare and received a grant for dollar-for-dollar matching funds from the federal government. This loan repayment program has provided repayment of up to \$40,000 a year in educational debt for 16 individuals. The individuals funded are from all the islands except Kaua'i (a future priority). Nine are Advanced Practice Registered Nurse Practitioners and seven are physicians (2 family physicians, 2 pediatricians, 1 psychiatrist, 1 obstetrician and 1 internist). The recipients practice primarily in community health centers, with one provider working at the Halawa Correctional System and one provider working at a non-profit in a rural area. All these providers have given a two-year commitment to working in underserved areas, a condition of receiving funding from the program.

In September 2014, JABSOM's Kelley Withy, MD, PhD received a four-year grant for \$311,875 a year in federal funds to be spent on loan repayment in Hawai'i. But the money can only be spent if there is local funding to match it. Dr. Withy has been able to

raise \$50,000, but no more. Without State funds, \$261,875 federal money will go unspent despite a severe provider shortage.

State matching funds is needed in order to receive the federal funds that have been promised to Hawai'i. This is an important program and one which helps Hawai'i grow the doctors and healthcare providers it desperately needs.

We respectfully request this Committee to pass SB 113 SD1.

Mahalo for this opportunity to provide testimony.