



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Higher Education and
Senate Committee on Commerce, Consumer Protection, and Health
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By
Jerris Hedges, MD, Dean
John A. Burns School of Medicine
And
Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

SB 2472 – RELATING TO TUITION WAIVERS FOR PHYSICIANS IN RURAL AREAS

Chairs Kim and Baker, Vice Chairs Kidani and Chang, and members of the committees:

Thank you for this opportunity to provide comments on SB 2472 which requires and appropriates funds for the University of Hawai'i John A. Burns School of Medicine (JABSOM) to establish a program that awards tuition waivers and other subsidies to up to ten students per year to cover their entire term of study at JABSOM. We support the intent of SB 2472 and appreciate the legislature's efforts in seeking solutions to address the health care professional shortage in Hawai'i.

We agree that new general funds be appropriated annually to support such a tuition waiver program. However, we wish to emphasize that the funding for the tuition waiver program not impact the tuition dollars JABSOM will receive. A portion of the medical school tuition dollars returned to JABSOM from UH Mānoa is used to fund scholarships. A decrease in this funding would compromise the needs-based scholarships for medical students that JABSOM awards. According to the 2018 Association of American Medical Colleges Financial Aid Summary report, 90.4% of enrolled JABSOM students received some form of financial aid.

Additionally, if the funding for the tuition waiver program results in a decrease in JABSOM's operational budget, our ability to move forward with implementation of expansion of medical education and training on neighbor islands such as Maui may be compromised. The tuition waiver funds appropriated should cover the full cost of in-state tuition, together with administrative costs to administer the tuition waiver program. The per student funding should increase as tuition increases.

SB 2472 specifies that the recipients of tuition waivers are required to commit to at least ten (10) years of service payback after completing residency. This requirement is unusual. In other states, one year of service is required for every year of financial support. Federal programs (for the military, public health service, and Indian health service) also use a formula of one year of service for every year of support. The

requirement of a ten year service payback may be a disincentive to student use of this program. Aligning the service payback requirement to that of other states, as well as federal tuition support programs would create consistency with these other programs and contribute to the matriculation of qualified in-state students in JABSOM.

The definition of “rural area” as a community of fewer than ten thousand residents appears to mandate practice in a setting which may be too small a population to support a practice. For example, Wahiawa (96786, population 44,719) in Central O’ahu is not rural, but only has two (2) employed physicians (and two (2) APRNs) in its new FQHC that serves a larger geographic area beyond Wahiawa. We suggest tripling the population density for eligibility as the reality of opening and sustaining a practice in an area with only 10,000 residents may be cost prohibitive to an individual practitioner even with a supporting health system.

JABSOM requests the flexibility to determine the criteria for identifying the tuition waiver recipients based on historical experience, including site of origin/training and the tracking of trainees, to determine those most likely to return and practice in rural settings. Ideally the support should be directed to those students most likely to benefit from the program and most likely to practice in rural areas.

Thank you for this opportunity to testify.