Testimony Presented Before the Senate Committee on Ways and Means Thursday, February 24, 2022 at 10:00 a.m.

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SB 2597 SD1 – RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

Thank you for the opportunity to present testimony today. The John A. Burns school of medicine (JABSOM) **supports SB 2597 SD1**, which seeks funding for the Hawai'i State Loan Repayment Program administered by JABSOM, provided that its passage does not replace, or impact priorities as indicated in our BOR Approved Budget.

Since September 2012, the Hawai'i State Loan Repayment program which is administered by JABSOM has been operating successfully, and has supported 64 recipients in exchange for work commitments in underserved geographic practice areas in Hawai'i. Of the loan repayment participants, 83% have remained in Hawai'i to practice, and 70% have remained at the site where they performed their service. Currently, there are 25 active providers in the program with another 7 waiting for funding.

The Hawai'i State Loan Repayment program leverages public funds and private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps of the United States Department of Health and Human Services. Currently, health care professionals who have benefited from the loan repayment program serve on all islands and in the communities of Waimea, Kihei, Wai'anae, Hilo, and Wailuku; at health clinics in Kalihi-Pālama and Kokua Kalihi Valley; and in public institutional settings at the federal detention center in Honolulu, the Hālawa correctional facility and the Maui County correctional center. Health care professionals who are eligible to participate in the program include physicians, nurse practitioners, psychologists, social workers, and many others.

Many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of primary and behavioral health care professionals in the State. These

shortages not only threaten individual health, but also cumulatively affect the State's health care costs. Areas of Hawai'i that have been designated by the federal government as medically underserved have been most significantly affected by shortages of primary and behavioral health care professionals, such as physicians, nurse practitioners, physician assistants, and psychologists. Social workers, marriage and family therapists, and nurses are also urgently needed in these areas.

In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path designed to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized practice in urban areas rather than in general practice on the neighbor islands or in underserved areas of Oahu where the need is greatest. Furthermore, those states with robust primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to loan repayment programs to help develop a strong primary health care workforce for underserved areas.

An investment of State matching funds would enable JABSOM to draw as much federal money as possible and allow the program to provide loan repayment to more health care professionals in our ongoing efforts to alleviate the health care professional shortages in Hawai'i.

Thank you for this opportunity to testify.