



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Human Services
House Committee on Health & Homelessness
Tuesday, March 21, 2023 at 9:00 a.m.

By

Lee Buenconsejo-Lum, Interim Dean and
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director
John A. Burns School of Medicine

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

SB 397 SD2 – RELATING TO PROFESSIONAL MEDICAID SERVICES

Chairs Mizuno and Belatti, Vice Chairs Amato and Takenouchi, and Members of the Committees:

Thank you for the opportunity to provide testimony in SUPPORT of SB 397 SD2 which appropriates funds to increase Medicaid payments to eligible health care professionals up to 100% of the current Medicare rates.

Primary care, specialty care, and behavioral health professionals overwhelmingly desire to treat patients of all backgrounds, regardless of insurance coverage. The Hawai'i Medicaid professional fee schedule is currently set at 60% of Medicare for the majority of professional services. This low reimbursement rate has a negative impact on the ability of medical professionals to treat an increased number of Medicaid patients.

The current Medicaid professional fee schedule also increases the challenge of recruiting and retaining providers in the state, since Hawai'i is competing against the rest of the nation for an adequate workforce. Hawai'i faces a shortage of almost 800 physicians. Through the surveys of physicians conducted by the John A. Burns School of Medicine (JABSOM) at the Hawai'i Health Workforce Summit as to what could be done to recruit and retain more physicians, the fourth most popular answer from the 274 respondents to the survey was eliminating the GET on medical services. Physicians who have left the State indicate that the extra cost of caring for Medicare, Medicaid and Quest patients makes it financially burdensome to continue practicing here. For the same reason, many physicians no longer see this group of patients.

Many of the faculty JABSOM relies on to train our students and residents are struggling, especially on the Neighbor Islands. Providing Medicaid payments at 100% of the Medicare rate would help to keep these providers in practice, improve access to care and access to learning environments that teach our students to provide high quality, compassionate care for all patients, regardless of the ability to pay. This measure provides funding that is a necessary and meaningful step toward addressing long standing health inequities that exist in this state.

Thank you for the opportunity to provide testimony on this bill.