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January 22, 2020

Scott Kronlund, MD
Chief Medical Director
East Hawai'i Independent Physician Association
670 Ponahawai Street, Suite 117
Hilo, HI 96720

Dear Dr. Kronlund,

RE: Hawai'i Island Physician Shortage

Thank you for your letter dated January 8, concerning our Hawai'i Island physician shortage and the unfair burden on physicians that is imposed by the General Excise Tax and the low Medicare reimbursement rate.

As I am confident you know, following our meeting on January 6, I made exempting medical services from the GET my #1 legislative priority for 2020. I have talked to the Governor, and we are tracking the various exemption bills that have been introduced in the House and Senate (at least six, so far). I will actively support those bills as the process moves forward. In addition, my staff is working with the physician advocates (Dr. Scott Grosskreutz and others) to strategize the best approaches for getting these bills passed.

I am also joining you in seeking Federal help with the Medicare reimbursement rate. My staff has reached out to Senator Schatz, and we will support your ongoing efforts with Representative Case and any others who might be of assistance.
Continued involvement of the medical community is crucial for this project to be successful, so please keep up your efforts to educate the decision-makers on these important issues. Hopefully, together we can eliminate the GET's application to physicians and get you the much-deserved relief that you are seeking. We will also hope that some progress can finally be made on Medicare rates--a fight that has been going on for decades.

Sincerely,

Harry Kim
Mayor

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