



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

GOV. MSG. NO. 721

June 14, 2006

The Honorable Robert Bunda, President
and Members of the Senate
Twenty-Third State Legislature
State Capitol, Room 003
Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

This is to inform you that on June 14, 2006, the following bill was signed into law:

SB3090 SD2 HD1 CD1

A BILL FOR AN ACT RELATING TO
STANDARDIZED FORMS FOR WORKERS'
COMPENSATION HEALTH CARE PROVIDERS.
(ACT 191)

Sincerely,

A handwritten signature in black ink that reads "Linda Lingle".

LINDA LINGLE

THE SENATE
TWENTY-THIRD LEGISLATURE, 2006
STATE OF HAWAII

S.B. NO. 3090
S.D. 2
H.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO STANDARDIZED FORMS FOR WORKERS' COMPENSATION HEALTH CARE PROVIDERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 386-21, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§386-21 Medical care, services, and supplies. (a)**
4 Immediately after a work injury sustained by an employee and so
5 long as reasonably needed the employer shall furnish to the
6 employee all medical care, services, and supplies as the nature
7 of the injury requires. The liability for the medical care,
8 services, and supplies shall be subject to the deductible under
9 section 386-100.

10 (b) Whenever medical care is needed, the injured employee
11 may select any physician or surgeon who is practicing on the
12 island where the injury was incurred to render ~~[such]~~ medical
13 care. If the services of a specialist are indicated, the
14 employee may select any ~~[such]~~ physician or surgeon practicing
15 in the State. The director may authorize the selection of a
16 specialist practicing outside the State where no comparable
17 medical attendance within the State is available. Upon



1 procuring the services of [such] a physician or surgeon, the
2 injured employee shall give proper notice of the employee's
3 selection to the employer within a reasonable time after the
4 beginning of the treatment. If for any reason during the period
5 when medical care is needed, the employee wishes to change to
6 another physician or surgeon, the employee may do so in
7 accordance with rules prescribed by the director. If the
8 employee is unable to select a physician or surgeon and the
9 emergency nature of the injury requires immediate medical
10 attendance, or if the employee does not desire to select a
11 physician or surgeon and so advises the employer, the employer
12 shall select the physician or surgeon. [Such] The selection,
13 however, shall not deprive the employee of the employee's right
14 of subsequently selecting a physician or surgeon for continuance
15 of needed medical care.

16 (c) The liability of the employer for medical care,
17 services, and supplies shall be limited to the charges computed
18 as set forth in this section. The director shall make
19 determinations of the charges and adopt fee schedules based upon
20 those determinations. Effective January 1, 1997, and for each
21 succeeding calendar year thereafter, the charges shall not
22 exceed one hundred ten per cent of fees prescribed in the



1 Medicare Resource Based Relative Value Scale system applicable
2 to Hawaii as prepared by the United States Department of Health
3 and Human Services, except as provided in this subsection. The
4 rates or fees provided for in this section shall be adequate to
5 ensure at all times the standard of services and care intended
6 by this chapter to injured employees.

7 If the director determines that an allowance under the
8 medicare program is not reasonable, or if a medical treatment,
9 accommodation, product, or service existing as of June 29, 1995,
10 is not covered under the medicare program, the director [~~may~~],
11 at any time, may establish an additional fee schedule or
12 schedules not exceeding the prevalent charge for fees for
13 services actually received by providers of health care services
14 to cover charges for that treatment, accommodation, product, or
15 service. If no prevalent charge for a fee for service has been
16 established for a given service or procedure, the director shall
17 adopt a reasonable rate that shall be the same for all providers
18 of health care services to be paid for that service or
19 procedure.

20 The director shall update the schedules required by this
21 section every three years or annually, as required. The updates
22 shall be based upon:



1 (1) Future charges or additions prescribed in the Medicare
2 Resource Based Relative Value Scale system applicable
3 to Hawaii as prepared by the United States Department
4 of Health and Human Services; or

5 (2) A statistically valid survey by the director of
6 prevalent charges for fees for services actually
7 received by providers of health care services or based
8 upon the information provided to the director by the
9 appropriate state agency having access to prevalent
10 charges for medical fee information.

11 When a dispute exists between an insurer or self-insured
12 employer and a medical [~~service~~] services provider regarding the
13 amount of a fee for medical services, the director may resolve
14 the dispute in a summary manner as the director may prescribe;
15 provided that a provider shall not charge more than the
16 provider's private patient charge for the service rendered.

17 (d) The director, with input from stakeholders in the
18 workers' compensation system, including but not limited to
19 insurers, health care providers, employers, and employees, shall
20 establish standardized forms for health care providers to use
21 when reporting on and billing for injuries compensable under
22 this chapter. The forms may be in triplicate, or in any other



1 configuration so as to minimize, to the extent practicable, the
2 need for a health care provider to fill out multiple forms
3 describing the same workers' compensation case to the
4 department, the injured employee's employer, and the employer's
5 insurer.

6 ~~[(d)]~~ (e) If it appears to the director that the injured
7 employee has wilfully refused to accept the services of a
8 competent physician or surgeon selected as provided in this
9 section, or has wilfully obstructed the physician or surgeon, or
10 medical, surgical, or hospital services or supplies, the
11 director may consider such refusal or obstruction on the part of
12 the injured employee to be a waiver in whole or in part of the
13 right to medical care, services, and supplies, and may suspend
14 the weekly benefit payments, if any, to which the employee is
15 entitled so long as ~~[such]~~ the refusal or obstruction continues.

16 ~~[(e)]~~ (f) ~~[Such]~~ Any funds as are periodically necessary
17 to the department to implement the foregoing provisions may be
18 charged to and paid from the special compensation fund provided
19 by section 386-151.

20 ~~[(f)]~~ (g) In cases where the compensability of the claim
21 is not contested by the employer, the medical services provider
22 shall notify or bill the employer, insurer, or the special



1 compensation fund for services rendered relating to the
2 compensable injury within two years of the date services were
3 rendered. Failure to bill the employer, insurer, or the special
4 compensation fund within the two-year period shall result in the
5 forfeiture of the medical [~~service~~] services provider's right to
6 payment. The medical service provider shall not directly charge
7 the injured employee for treatments relating to the compensable
8 injury."

9 SECTION 2. Notwithstanding the moratorium imposed under
10 Act 11, Special Session Laws of Hawaii 2005, on the director of
11 labor and industrial relations' rulemaking authority, the
12 director of labor and industrial relations shall adopt, pursuant
13 to chapter 91, Hawaii Revised Statutes, the standardized forms
14 required under section 1 of this Act and, at no cost to health
15 care providers, shall make the forms available to the health
16 care providers of the State.

17 SECTION 3. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2006.



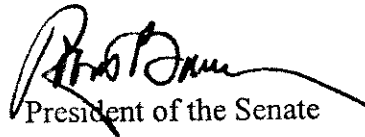
GOVERNOR OF THE STATE OF HAWAII

Approved this day: JUN 14 2006


THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2006
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006.



President of the Senate



Clerk of the Senate

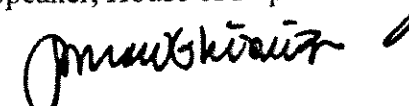
**THE HOUSE OF REPRESENTATIVES
OF THE STATE OF HAWAII**

Date: May 2, 2006
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006.



Speaker, House of Representatives



Clerk, House of Representatives