

Honolulu, Hawaii

Feb 10, 2006

RE: H.B. No. 2629

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2629 entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION,"

begs leave to report as follows:

The purpose of this bill is to improve the efficiency of the workers' compensation system by:

- (1) Requiring the Department of Labor and Industrial Relations (DLIR) to establish standardized medical excuse and workers' compensation claim routing forms;
- (2) Requiring the timely processing and payment of health care provider bills; and
- (3) Establishing that an injured worker's claim progress notes and necessary authorization submitted by a health care provider is sufficient proof for payment to a health care provider.

ILWU Local 142 and a concerned individual testified in support of this bill. The Hawaii Chapter, American Physical Therapy Association and Hawaii State Chiropractic Association testified in support of the intent of this measure. The Department of Human Resources Development, Hawaii Insurers Council, and Hawaii Employers' Mutual Insurance Company opposed



this bill. The Department of Labor and Industrial Relations offered comments.

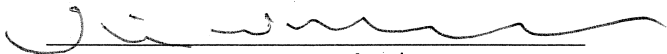
The delivery of medical services for workers' compensation claims continues to be a problematic feature of the workers' compensation system. Your Committee notes that employers, employees, insurers, and health care providers have experienced problems that have delayed the delivery of medical care. Standardizing medical excuse and workers' compensation routing forms, as well as establishing a time frame for timely payment to health care providers, will help alleviate some of these problems.

However, your Committee understands the concerns raised by several individuals that the time frame established in this measure may be unrealistic. Accordingly, your Committee has amended this measure by:

- (1) Deleting references to a specific number of days for the processing and payment of bills to health care providers;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2629, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2629, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,


KIRK CALDWELL, Chair



