

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 2698
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 Finance, to which was referred H.B. No. 2698 entitled:

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

begs leave to report as follows:

The purpose of this bill is to streamline and make efficient the processing of workers' compensation claims by requiring the Director of Labor and Industrial Relations to establish standardized forms for health care providers to use when reporting on and billing for injuries compensable under the state workers' compensation law.

The Hawaii Employers' Mutual Insurance Company, Inc. (HEMIC), Hawaii Insurers Council, Hawaii State AFL-CIO, Hawaii State Chiropractic Association, Klein Chiropractic Center, and several concerned individuals supported this bill. The Department of Human Resources Development and Hawaii Chapter of the American Physical Therapy Association supported the intent of this measure. The Department of Labor and Industrial Relations (DLIR) provided comments.

Your Committee wishes to note the concerns expressed by DLIR that the requirement of standardized billing forms may cause insurance carriers and self-insured employers to hire bill review agencies to ensure such forms are filled out correctly and in compliance with Hawaii's stringent workers' compensation laws.



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This may have the inadvertent effect of causing delays as payments are denied due to incorrectly completed forms.

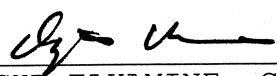
Your Committee also notes that HEMIC testified that should this bill pass, it would be willing to provide incentives to providers to encourage migration to an electronic format.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive changes for clarity, consistency; and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2698, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2698, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



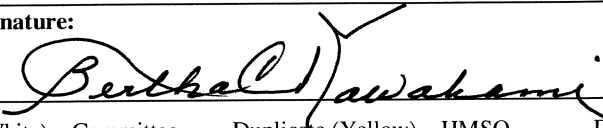
DWIGHT TAKAMINE, Chair



State of Hawaii
House of Representatives
The Twenty-third Legislature

HSCR 912-06

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 2698		Date: 2.28.06		
Committee Referral: LAB, CPC, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKAMINE, Dwight Y. (C)	✓			
2. KAWAKAMI, Bertha C. (VC)	✓			
3. CARROLL, Mele	✓			
4. CHONG, Pono	✓			
5. EVANS, Cindy	✓			
6. LEE, Marilyn B.	✓			
7. MAGAOAY, Michael Y.				✓
8. NAKASONE, Bob	✓			
9. NISHIMOTO, Scott Y.	✓			
10. TANAKA, Kameo	✓			
11. TSUJI, Clift	✓			
12. WAKAI, Glenn				✓
13. YAMANE, Ryan I.	✓			
14. YAMASHITA, Kyle T.	✓			
15. MEYER, Colleen Rose	✓			
16. MOSES, Mark S.	✓			
17. PINE, Kymberly	✓			
18. STEVENS, Anne V.				✓
TOTAL	15			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				