

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 3090
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Labor, to which was referred S.B. No. 3090
entitled:

"A BILL FOR AN ACT RELATING TO STANDARDIZED FORMS FOR
WORKERS' COMPENSATION HEALTH CARE PROVIDERS,"

begs leave to report as follows:

The purpose of this measure is to require 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's workers' compensation law.

Testimony in support of this measure was submitted by the
Department of Human Resources Development, the Hawaii State
Teachers Association, the ILWU Local 142, the Hawaii Chapter of
the American Physical Therapy Association, the Hawaii Insurers
Council, and the Hawaii State Chiropractic Association. Comments
on the measure were also submitted by the Department of Labor and
Industrial Relations (DLIR).

Your Committee finds that although some standardized forms
exist for the filing of workers' compensation claims, more can be
done to provide uniformity, greater clarity, and efficiency in the
delivery of medical services to injured employees and payment to
the providers. The current lack of uniformity in the filing of
paperwork by providers often results in the employer's denial of
payment for services without an effective way for the employee to
determine the basis for denial. Consequently, denials necessitate
the filing of additional paperwork and further delay, or eliminate



the receipt of payment from the employer's insurer. Your Committee believes that the use of standardized forms can help to clearly identify the information that is necessary for a proper determination of the need for care and the type of care that satisfies medical reporting requirements.

However, your Committee believes that for the forms to be truly successful in streamlining the workers' compensation system, DLIR must receive input from interested stakeholders in the workers' compensation system, including insurers, providers, employers, and employees, in order to better serve all parties involved. Your Committee also notes that discussion was held on the possibility of automating the Disability Compensation Division (DCD), so as to make standardized forms available online for electronic filing with DLIR. Your Committee believes that this is an important issue that should continue to be explored and discussed as the measure progresses throughout the session and as estimates are made regarding the cost of automating the DCD and implementing an electronic filing system.

Accordingly, your Committee has amended this measure by:

- (1) Including language to require DLIR to prepare the standardized forms, with input from all interested stakeholders in the workers' compensation system, including health care providers, insurers, employers, and employees; and
- (2) Making technical, nonsubstantive changes to reflect preferred drafting style and for purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3090, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3090, S.D. 1, and be referred to the Committee on Ways and Means.



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



BRIAN KANNO, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Labor
(Bills and Resolutions)

Measure:* SB 3090	Committee Referral: LBR, WAM	Date: 2-15-06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
KANNO, Brian (C)	✓			
IHARA, Jr., Les (VC)				✓
TANIGUCHI, Brian T.	✓			
SLOM, Sam	✓			
TOTAL	3			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.