

STAND. COM. REP. NO. 549 -08

Honolulu, Hawaii

Feb 15, 2008

RE: H.B. No. 2573

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2573, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to increase the workers' compensation medical fee schedule to an unspecified percentage of the fees prescribed in the Medicare Resource Based Relative Value Scale system applicable to Hawaii.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, the Department of Commerce and Consumer Affairs, and the Healthcare Association of Hawaii. The Hawaii State Chiropractic Association and the Hawaii Chapter of the American Physical Therapy Association supported the intent and offered comments. Testimony in opposition to the measure was received from the Hawaii Insurers Council and the American Insurance Association. Comments on the measure were received from the Hawaii Medical Association.

Your Committee finds that current law sets the workers' compensation medical fee schedule at one hundred ten per cent of the fees prescribed in the Medicare Resource Based Relative Value Scale system applicable to Hawaii. Your Committee further finds that the present percentage level is inadequate because the supplemental fee schedule of the Department of Labor and Industrial Relations, based upon the Department's surveys of

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prevalent charges, currently allows over 1,300 fees above that percentage level. Your Committee finds that increasing the percentage over the Medicare schedule is important to ensure that injured workers will have access to timely medical care.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2573, H.D. 1, and recommends that it be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



