



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 26, 2008

To: The Honorable Marcus Oshiro, Chair
and Members of the House Committee on Finance

Date: Wednesday, February 27, 2008
Time: 11:00 a.m.
Place: Conference Room 308, State Capitol

From: Darwin L.D. Ching, Director
Department of Labor and Industrial Relations

**Testimony in Opposition
to**

H.B. 2929, H.D. 1 – Relating to Workers’ Compensation

I. OVERVIEW OF CURRENT PROPOSED LEGISLATION

House Bill 2929, H.D. 1, proposes to require that independent medical examinations (“IME”) and permanent impairment rating examinations be subject to the following:

1. The IME and permanent impairment rating examination physician be selected by mutual agreement between the employer and employee; and
2. If no agreement can be reached, then to have the Department of Labor and Industrial Relations (“Department”) appoint a qualified physician licensed in the relevant medical specialty and willing to conduct the examination within 30 calendar days of the request.

II. CURRENT LAW

Currently, section 386-79, HRS, specifies that the employee, when ordered by the director shall submit to the examination by a qualified physician designated and paid by the employer. If an employee refuses to attend the examination or obstructs in any way the examination, their rights to benefits will be suspended for the period during which the refusal or obstruction continues.

III. HOUSE BILL

The Department understands the intent of this bill is to provide an assurance of impartiality in the IME and rating examination process. However, the Department opposes this bill for the following reasons:

1. The IME process is an important part of the employers' discovery process to ensure proper treatment and that the costs they incur are justified. The employer will request an IME only when they have questions or concerns relating to the claimants injury or the propriety of attending physician's treatments. Requiring that the IME be chosen from a list provided by the director if there is no mutual agreement deprives the employers to choose their own expert witness. The role of an IME physician is to evaluate the injury and or treatment.
2. There are already safeguards in place for IMEs. Hawaii's workers' compensation **law requires full disclosure** of the IME report to the injured employee. This allows the treating physician or the injured worker to challenge the evaluation. The Department makes its decisions based upon the evidence provided by the opposing parties.
3. The employer and insurance carrier pays for 100% of the cost of the IME and should be afforded the choice of the IME physician.
4. Proponents of this legislation believe that this change may decrease the adversarial nature that arises during disputes and eliminate the impression of bias in the IME. However, the Department is not convinced that this would decrease the adversarial nature of the IME and rating process, as there will always be situations in which claimants and employers will disagree. The IME process is the only vehicle available to the employer to support their position when challenging the injured workers claim or the propriety of the attending physicians treatment.
5. The Department has concerns relating to ensuring that an adequate number of physicians, with the various specialties, will be willing to have their name placed on the IME and rating examination list as this bill specifies that a physician must indicate within seven days of a request if they would be willing to do the examination and shall be required to examine the employee within thirty days of the selection.
6. The Department is concerned that this bill proposes that if an employee "unreasonably" refuses to submit to or obstructs an examination; the employee's

right to compensation shall be suspended. The bill gives no definition of what is considered “unreasonably.”

7. The Department is not clear as to what is an “active” professional and occupational license for the last five consecutive years? Is an “active” physician one that is “actively” treating patients or is merely “maintaining” their license in Hawaii for five consecutive years adequate?
8. The Department has concerns with having a permanent impairment rating conducted only when the **attending physician** determines the employee to be medically stable, and proposed a new definition of medical stability for the purposes of only this section. First, in some cases treatment may go on indefinitely before the attending physician believes the employee’s condition has stabilized. This will severely limit the employer’s right to have a permanent impairment rating done to resolve the case expeditiously if they have evidence from that the injured employee’s condition may be stable. Secondly, this proposal defines “medical stability” to mean that the employee’s medical condition is static and well stabilized. It is not clear what time period would equate to “well stabilized”. Medical stability is defined in Chapter 386 Administrative Rules, section 12-10-1 to mean “that no further improvement in the injured employee’s work-related condition can reasonably be expected from curative health care or the passage of time”.
9. The Department also has concerns that additional funding for a position will be required to build and maintain a list of IME and rating physicians who would be willing to conduct these examinations and to coordinate with the employer the appropriate physician to conduct the IME. The Department would require at least one clerical position costing \$35,000 to implement this proposal.

LINDA LINGLE
GOVERNOR



MARIE C. LADERTA
DIRECTOR

CINDY S. INOUE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813
February 26, 2008

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE
For Hearing on Wednesday, February 27, 2008
11:00 a.m., Conference Room 308

BY

MARIE C. LADERTA, DIRECTOR

House Bill No. 2929, H.D. 1
Relating to Workers' Compensation

TO CHAIR MARCUS R. OSHIRO AND MEMBERS OF THE COMMITTEE:

The purpose of H.B. No. 2929, H.D. 1, is to amend Section 386-79 (a), Hawaii Revised Statutes, to require that independent medical examinations and permanent impairment rating examinations be performed by mutually agreed upon physicians. **The Department of Human Resources Development is strongly opposed to this bill and requests that it be held.**

An independent medical examination conducted by a physician of the employer's/insurance carrier's choice is the only tool that is available to us to address the statutory presumption, excessive treatment, and reasonableness of a surgical procedure. Amending the statute in this fashion would deprive us of a very fundamental right to discovery.


This bill is unnecessary as safeguards already exist in the statute. The injured employee receives a copy of the report and is afforded the opportunity to rebut it or correct any misinformation. This report is also sent to the injured employee's attending physician who is invited to comment on it.

As written, the bill makes no allowances for evaluations to be performed by physicians whose specialties are not available in the State. It isn't clear how we would proceed under those circumstances. It also requires that the mutually agreed upon physician examine the employee within thirty days of selection. This appears to be unrealistic given that we often have to wait 90 days or more for an available appointment. Further, physicians have to have held an active professional and occupational license for five consecutive years prior to the examination. The bill is silent as to what profession and occupational licenses they must have.

Lastly, the definition of medical stability in the bill is inconsistent with the definition in Section 12-10-1 of the Administrative Rules. The rule refers to curative care, passage of time OR when an employee refuses to undergo diagnostic tests or treatment. This would lead to the usage of different standards when determining medical stability for different purposes.

We do not believe that these amendments will serve to reduce the adversarial nature of certain disputes and will likely result in higher costs due to more claims being fully litigated.

Respectfully submitted,


for MARIE C. LADERA



Randy Perreira *Executive Director*
Tel: 808 543-0011 Fax: 808 528-0922

HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME LOCAL 152, AFL-CIO
888 MILILANI STREET, SUITE 601 • HONOLULU, HAWAII 96813-2991



Nora A. Nomura *Deputy Executive Director*
Tel: 808 543-0003 Fax: 808 528-0922

Derek M. Mizuno *Deputy Executive Director*
Tel: 808 543-0055 Fax: 808 523-6879

The Twenty-Fourth Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Finance

Testimony by
HGEA/AFSCME Local 152, AFL-CIO
February 27, 2008

**H.B. 2929, H.D. 1 – RELATING
TO WORKERS' COMPENSATION**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 2929, H.D. 1. We believe that employees injured on the job deserve to be evaluated by an impartial physician selected with their agreement. As drafted, the bill provides a reasonable alternative to selection of an impartial physician in the event no mutual agreement is reached; and further, provides for timely scheduling of examinations.

Thank you for the opportunity to testify in support of H.B. 2929, H.D. 1.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nora A. Nomura', is written over the typed name.

Nora A. Nomura
Deputy Executive Director



HOUSE OF REPRESENTATIVES
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

COMMITTEE ON FINANCE

Rep. Marcus Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

Date: Tuesday, Wednesday 27, 2008

Time: 11:00 a.m.

Place: Conference Room 308, State Capitol

TESTIMONY FRED GALDONES/ILWU LOCAL 142

RE: HB 2929, HD 1, RELATING TO WORKERS' COMPENSATION

Thank you for the opportunity to present testimony regarding HB 2929, HD 1.

ILWU Local 142 recognizes and supports the need for objective and truly independent medical opinion in the adjudication of industrial accident claims and supports HB 2929, HD 1. The concept proposed in the bill of conducting evaluations based on mutual agreement of the parties, or failing such agreement, by appointment by the Director of the Department of Labor is a sound one, which promotes impartiality by the examining physician and the timely adjudication of claims. If adopted, the bill will help facilitate the timely delivery of effective medical care and accelerate claims processing in a fashion that will be universally beneficial.

However, we also offer the following comments and suggestions about HB 2929, HD 1:

1. We endorse the idea that examination that are mutually agreed upon should be conducted in 30 days. Delay now occurs because insurers favor using only a limited number of physicians who conduct medical examinations, and these physicians often cannot schedule appointments with the injured worker for two, three, or four months. Such delay needlessly burdens all parties with unnecessary cost when the claim is ultimately found compensable, and delays treatment from non-industrial medical care when the claim is determined not to be work-related. However, if flexibility is needed to extend this 30 day period to a longer time period of 45 days during which the examination takes place, this would not be unreasonable.
2. HB2929, HD 1 also presently provides that if the parties cannot agree upon a suitable physicians to conduct an independent medical examination or permanent impairment rating, the Director shall appoint a physician from the relevant medical specialty who is licensed to practice in Hawaii "and willing to undertake such examination within seven calendar days from the director's receipt of the request." (emphasis added) This time period

is unrealistically short and could be expanded to between 30 to 45 days following the physician's appointment so there is an adequate pool of physicians available to conduct the evaluations.

3. The current bill could also be improved by inserting a requirement that before an employee's right to compensation can be suspended, the employee should be afforded the right to a hearing on whether her failure to attend a medical examination was in fact unreasonable, rather than conferring upon the employer the ability to make this determination and to suspend compensation unilaterally
4. The bill's adoption should not be delayed until July 1, 2059 but it should be adopted as rapidly as possible. In this case, July 1, 2008 would be an appropriate date.

ILWU supports the adoption of HB 2929, HD 1, and suggests that slightly greater flexibility in the time limits for conducting physician examinations will insure greater support for the bills passage without harming its original intent.



**The Chamber of
Commerce of Hawaii**

Since 1850

**Testimony to the House Finance Committee
Wednesday, February 27, 2008 at 11:00 a.m.
Conference Room 308**

RE: HOUSE BILL NO. 2929 HD1 RELATING TO WORKERS' COMPENSATION

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber does not support HB 2929 HD1, relating to Workers' Compensation.

The Chamber is the largest business organization in Hawaii, representing over 1100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. The organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This measure requires independent medical examinations and Permanent Impairment Rating Examinations to be performed by mutually agreed upon physicians. Effective 07/01/2009.

The Chamber has carefully reviewed the issues involving the IME process and continues to explore how to improve the process for the injured workers and employers. Although we understand the intent of the bill, the Chamber does not support this bill for the following reasons:

- 1) In many cases, there is a necessity to retain physicians in specialties outside of Hawaii to conduct an IME. The physician community should be consulted to establish appropriate procedural guidelines for conducting IMEs.
- 2) The IME process is an essential part of the employers' discovery process to ensure proper treatment and to justify incurred costs. The right for an employer to select the physician of its choice to determine whether or not an injury is work related should not be subjected to the delay and costs associated with this procedure.

The employer and insurance carrier pay for 100% of the cost of the IME, therefore should be afforded the choice of the IME physician. The employee chooses his or her treating physician, so we believe the employer should be able to obtain a second opinion for his or her protection. Furthermore, it is the employee's treating physician, and not the IME physician, that is conducting the actual medical treatment. The IME physician's role is to evaluate the injury and treatment.

- 3) Proponents of this legislation believe that this change may decrease the adversarial nature that arises during disputes and eliminate the impression of bias in the IME. However, the vast

Page 2

The Chamber of Commerce of Hawaii Testimony on HB 2929 HD1

majority of IMEs are conducted without incident or dispute. The opportunity for an employer IME can greatly enhance the likelihood of successful treatment and recovery.

- 4) Safeguards exist for IMEs. Hawaii's workers' compensation law requires full disclosure of the IME report to the injured employee. As a result, the employee will be able to determine whether the evaluation was accurate. If on the contrary, the employee or his or her personal physician will have the opportunity to contest the report.
- 5) The Department makes a determination based upon the evidence presented to the hearings officers. This bill appears to suggest that the IME report is the final say regarding the injured employee.

For these reasons, the Chamber does not support HB 2929 HD1 and respectfully requests that the committee holds this measure.

Thank you very much for the opportunity to testify.



Hawaii State Chiropractic Association

P.O. Box 22668 Honolulu, HI 96823-2668

ph: (808) 926-8883 fx: (808) 926-8884

January 26, 2008

House of Representatives
Committee on Finance
Chair Rep. Marcus Oshiro
Vice Chair Rep. Marilyn Lee

Testimony for hearing
Date: Tuesday, February 27, 2008
Time: 11:00 am
Conference Room 308

Chair Oshiro, Vice Chair Lee, and members of the committee:

My name is Gary Saito and I am the President and Executive Director of the Hawaii State Chiropractic Association. We are in **support of the intent of HB 2929 HD1.**

We believe that mutual agreement of an IME physician between the employer and the employee is the fairest way to insure an impartial PPD evaluation is conducted. The current method of selection has led to numerous abuses of injured worker rights by allowing one of the parties to prejudice the IME findings by depriving the other party an input on the selection of the examiner. Disability and impairment ratings must be done in the most impartial manner by a truly independent examiner. Although that is the intent of the current statutes and rules, the intent is circumvented repeatedly in actual practice and the process loses its impartiality.

However, this bill as written does not describe how physicians will be selected for the director's list or how the director will choose the physicians and whether they will be in the same medical specialty as the treating physician. The bill will require some clarification on these matters.

Thank you for allowing us to provide comment on this bill.

Sincerely,

Gary Saito, DC
President and ED, HSCA



GENERAL CONTRACTORS ASSOCIATION OF HAWAII

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February 26, 2008

TO: THE HONORABLE REPRESENTATIVE MARCUS R. OSHIRO, CHAIR AND
MEMBERS OF COMMITTEE ON FINANCE

SUBJECT: H.B.2929, HD1 - RELATING TO WORKERS' COMPENSATION

DATE: Wednesday, February 27, 2008
TIME: 11:00 A.M.
PLACE: Conference Room 308

Dear Chair Oshiro and Committee Members:

The General Contractors Association of Hawaii (GCA), an organization comprised of over five hundred and forty (540) general contractors, subcontractors, and construction related firms, **strongly opposed** HB2929, HD1 "Relating to Workers' Compensation" because this bill requires the selection of an IME physician by mutual agreement. This will add to compensation costs and delay the delivery of medical treatments in certain cases. The added costs and delays do not benefit either the employer or the injured worker.

The GCA believes the current system that is in place works. We believe this legislation is unnecessary because most IMEs occur by mutual agreement absent any statute.

Thank you for the opportunity to voice our views.



OFFICERS

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Paula Arcena
Executive Director

February 27, 2008

To: Rep. Marcus Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair
Committee on Health & Public Employment

From: Cynthia J. Goto, M.D., President
Linda Rasmussen, M.D., Legislative Co-Chair
Philip Hellreich, M.D., Legislative Co-Chair
Paula Arcena, Executive Director
Dick Botti, Government Affairs Liaison

Re: HB2929 HD1 Relating to Workers' Compensation

HMA opposes passage of this bill in its present form, because it removes the balance that is currently in place between the employee's right to choose a treating physician(s) and the employer's ability to seek expert second opinion. HMA agrees that the hearings process should be streamlined.

Thank you for the opportunity to testify on this matter.

PLEASE DELIVER

To rm 308 for:
House Finance
Committee
Wednesday
2/27/2008
11:00 am

Hawaii Medical Association
1360 S. Beretania St.
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Honolulu, HI 96814
(808) 536-7702
(808) 528-2376 fax
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GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

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February 26, 2008

TO: Representative Marcus Oshiro
Chair, Committee on Finance
Hawaii State Capitol, Room 306
FINtestimony@Capitol.hawaii.gov

FROM: Anne T. Horiuchi, Esq.
H.B. 2929, HD1 Relating to Workers' Compensation
Hearing Date: Wednesday, February 27, 2008 at 11:00 a.m.,
Agenda #2

Dear Chair Oshiro and Members of the Committee on Finance:

I am Anne Horiuchi, testifying on behalf of the American Insurance Association (AIA). AIA represents approximately 350 major insurance companies that provide all lines of property and casualty insurance and write more than \$123 billion annually in premiums. AIA members supply 23 percent of the property/casualty insurance sold in Hawaii. The association is headquartered in Washington, D.C., and has representatives in every state.

H.B. 2929, HD1 requires independent medical examinations and Permanent Impairment Rating Examinations to be performed by mutually agreed upon physicians. AIA opposes this measure.

AIA believes that the current system regarding independent medical examinations is well-established, and we believe that it is working. AIA is also concerned that requiring the selection of an IME physician by mutual agreement may delay the delivery of medical treatment in certain cases, and may also increase costs. AIA opposes H.B. 2929, HD1 and respectfully requests that it be held.

Thank you very much for this opportunity to submit testimony.

February 26, 2008
Page 2



Pauahi Tower, Suite 2010
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Honolulu, Hawaii 96813
Telephone (808) 525-5877
Facsimile (808) 525-5879

Alison Powers
Executive Director

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON FINANCE
Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair

Wednesday, February 27, 2008
11:00 a.m.

HB 2929, HD1

Chair Oshiro, Vice Chair Lee, and members of the committee, my name is Alison Powers, Executive Director of Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately 60% of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **opposes** HB 2929, HD1 which amends Section 386-79, Medical Examination by Employer's Physician.

The current system regarding Independent Medical Examinations (IMEs) has been in place for some time and we believe it is working. It appears that this legislation is prompted by claims that IME physicians are biased toward the employer. We do not believe this is true. Employers seek access to clinical expertise to help return the injured worker to the job. Currently, there are numerous safeguards in place to ensure the IME is objective and unbiased. Injured workers are able to obtain opinions or comments from their treating physician or other doctors regarding the IME opinion if they disagree. Injured workers are also able to obtain their own rating and if the hearings officer relies on it, the employer has to pay for it. Finally, there is an appeals process that provides further due process to both sides if an agreement cannot be reached.

According to the Department of Labor and Industrial Relations, ordered IMEs number about 1,000 per year. In 2005, there were 52,000 new and pending workers' compensation claims, and therefore, only 2% of all cases require an ordered IME. We believe this legislation is unnecessary because most IMEs occur by mutual agreement, absent any statute. The current system provides an approach for the employer and injured worker to resolve medical treatment disputes in an efficient manner. The proposal to mandate mutual agreement will increase workers' compensation costs and delay the delivery of medical treatment in certain cases. This is detrimental to the injured worker and does not benefit the employer.

The provision to require impairment IMEs to be separate from treatment IMEs merely presents an inconvenience to the injured worker. A comprehensive examination often takes several hours and this requirement will add costs to the system by requiring two separate examinations that could be addressed in one visit. Currently, some IMEs are performed to address appropriate treatment utilization and measurement of the degree of physical impairment. In many cases, it is important to obtain a *baseline* impairment rating to later determine the effectiveness of treatment. This also benefits the injured worker by having one physician look at the case in a comprehensive manner. It is also more cost effective if treatment and impairment are addressed by a single IME instead of requiring two. The suggestion that two separate examinations benefits the injured worker is not substantiated by evidence and will only add costs and delay the delivery of benefits.

The bill also limits IMEs to one per case. There is no measurable benefit to the injured worker by limiting IMEs to one per case. In fact, such a restriction may harm the injured worker. Two IMEs may be necessary in some cases since the first is initially done to establish a baseline and another IME is needed to determine whether there has been improvement, explain a change in the condition, or impairment. A subsequent IME may also be necessary if the injured worker develops new symptoms or conditions secondary to the work injury. The bill also does not allow for any exceptions for an ordered IME for impairment ratings. In the event that an injured worker is ordered to

attend an impairment examination and the physician determines that the injured worker is not at maximum medical improvement, or is a no-show for the appointment, the injured worker is precluded from obtaining a subsequent impairment rating. Neither an employer nor an injured worker should be restricted in securing an IME.

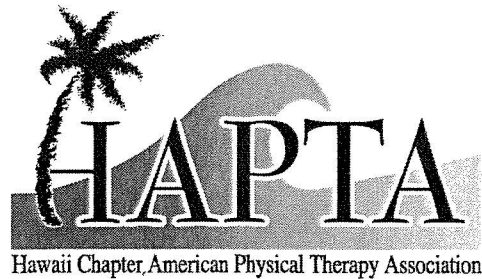
Finally, the bill requires IME physicians to meet certain criteria. Mandating that IME physicians meet certain requirements may not increase the standard of care for the injured worker and will reduce the number of physicians willing to participate in workers' compensation cases. Currently, there are a limited number of physicians who perform IMEs and when categorized by specialty, the list of available physicians is even smaller. It is in both the employer's and injured worker's best interest to have as many IME physicians available as possible to get the most objective opinion in the most efficient way. Many specialty IME physicians like toxicologists, neuropsychologists and infectious disease specialists who practice on the mainland are used because there are few or no qualified physicians here that can perform the examinations. Hawaii is a small and isolated state in which specialized physicians are not able to acquire practical experience due to exposure to limited and isolated cases. Insurers rely upon regional clinics and medical centers that specialize in particular medical disorders. The provision which would require that the IME physician be licensed to practice in Hawaii for five consecutive years unless the employee is living elsewhere and attempts to limit the reimbursement rate for conducting an exam is unworkable and will only shrink the limited pool of available physicians even further. This mandate will limit local physicians' ability to draw upon the clinical expertise of their mainland counterparts and inevitably create a delay in obtaining timely appointments and reports.

For these reasons, we respectfully request that HB 2929, HD1 be held.

Thank you for the opportunity to testify.

Testimony by:
Derrick Ishihara, PT

HB2929hd1, Workers' Compensation
House FIN Committee
Feb. 27, 2008 - 11:00 am
Conference Room 308 – Agenda #2



Position: Support with Comment

Chair Oshiro and Members of the House FIN Committee:

I am Derrick Ishihara, P.T., a small business owner/physical therapist and member of HAPTA's Legislative Committee. and member of the Hawaii Chapter – American Physical Therapy Association. The Hawaii Chapter – American Physical Therapy Association (HAPTA) is comprised of 300 member physical therapists and physical therapist assistants employed in hospitals and health care facilities, the Department of Education school system, and private practice. We are part of the spectrum of care for Hawaii, and provide rehabilitative services for infants and children, youth, adults and the elderly. Rehabilitative services are a vital part of restoring optimum functioning from neuromusculoskeletal injuries and impairments.

HAPTA commends the legislature for addressing potential problems with the current statute regarding IMEs. We support the primary focus of this measure, and believe that we should collaboratively focus on the mutual and fair selection of IMEs. Such a process is needed whereby injured workers and the insurer can re-assess the medical care being given and the future needs of the injured employee in a fairer manner. Currently, the examining physician is selected by the employer/insurer. This process has led to confrontation and extreme distrust between the injured worker and the insurer.

We anticipate that fair and impartial IMEs will lead to quicker resolution of cases as the injured party can get necessary care in a timely manner, potentially avoiding problems associated with chronic pain and disability. The insurer can also get slowly moving cases examined and recommendations made to resolve medical issues in a faster, more efficient manner, thus minimizing indemnity costs. Employers can get experienced employees back on the job and productive in less time. Hopefully, as the antagonistic nature of treating Workers Compensation cases improves, more qualified medical providers will return to the system and access to providers will improve for injured workers.

There are elements in this bill draft that need to be more fully discussed or deleted. As such we support the defective date to keep the measure moving and request that HAPTA be part of the ongoing discussion.

Thank you for the opportunity to provide testimony. I can be reached at (808) 593-2610 if there are any questions.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

February 27, 2008

Committee on Finance

11:00 a.m.

Room 308

Testimony Opposing HB 2929, HD1 "Relating to Workers' Compensation"

Chair Oshiro and Members of the Committee on Finance:

I am Karen Nakamura, Chief Executive Officer of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii strongly opposed HB2929, HD1 "Relating to Workers' Compensation" because this bill requires the selection of an IME physician by mutual agreement. This will add to compensation costs and delay the delivery of medical treatments in certain cases. The added costs and delays do not benefit either the employer or the injured worker.

BIA-Hawaii believes the current system that is in place works. We believe this legislation is unnecessary because most IMEs occur by mutual agreement absent any statute.

Thank you for the opportunity to voice our views.

Karen I. Nakamura

FINtestimony

From: Fred Moore [discover@hsimechanical.com]
Sent: Tuesday, February 26, 2008 2:02 PM
To: FINtestimony
Cc: Karen Nakamura; Karen Iwamoto
Subject: HB2929, HD1 . . .

February 27, 2008
Committee on Finance
11:00 AM
Room 308

Testimony Opposing HB 2929, HD1 "Relating to Workers' Compensation"

Chair Oshiro and Members of the Committee on Finance:

I am Fred Moore, President - HSI Mechanical, Inc., a Hawai'i Small Business Enterprise since 1979 employing 41 Hawai'i residents. Small Business is the back bone of our economy and our margins, after taxes, have been between 2-3%. All added cost, though insignificant, make it very challenging to remain in business which includes support our fellow employees.

HSI Mechanical, Inc. is strongly opposed to HB2929, HD1 "Relating to Workers' Compensation" because this bill requires the selection of an IME physician by mutual agreement. This will add to compensation costs and delay the delivery of medical treatments in certain cases. The added costs and delays do not benefit either the employer or the injured worker.

HSI Mechanical, Inc. believes the current system that is in place works. We believe this legislation is unnecessary because most IMEs occur by mutual agreement absent any statute.

Thank you for the opportunity to voice our views.

With Aloha, Fred :~)

Fred Moore
President / Principal RME
HSI Mechanical, Inc.
227 Puuhale Road
Honolulu, HI 96819
Cell: 808-478-8482

"There is only one corner
of the universe you can
be certain of improving...
and that's your own self."

-Aldous Huxley

Vinh Alkire-Clemen, B.S.N., R.N., C
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(808) 623-0899 or (808) 352-7467

February 27, 2008

1100 in room #308

House of Representatives, Legislature, Regular Session of 2008

Attn: Marcus Oshiro, Chair, Committee on Finance

RE: (“HB 2929 HD1”), I strongly support HB 2929 HD1, mutually agreed upon IMES to help the injured workers.

I thank you for this opportunity to speak to the committee.


I, Vinh Alkire-Clemen B.S.N., R.N., C and I am here to represent Hawaii Injured Workers Alliance. I am the 2nd Vice-Chair of Hawaii Injured Workers Alliance. I have worked as Registered Nurse in Iowa and for most hospitals and health care agencies in Hawaii for the past 15 years prior my two severe injuries from work-related here Oahu. (I had been inappropriate cut off medical, vocational rehabilitation and TTD since 2002, I still waiting for DILR & LIRAB to give me a hearing for those. In the mean while, I am not only suffering with derangement of my neck, back, & irregular healing of the knee, & coccyx. I am also suffering severe mental stress and financial deprived. In addition,

There are many of the injured workers have lost or have been denied their medical benefits while under workers compensation and do not get better; but worse after such denials. This bill would allow for me and these injured workers to continue getting my/their benefits UNTIL a hearing decision. At this time, they can become cut off from their benefits and must request a hearing that may take months in order to be heard about their benefits. I have had injured workers who have lost their homes and more so, even their families while undergoing these losses of medical benefits and payments. **This bill HB 2929HD1**, would allow for the continuance of treatment in order for the injured worker to get better and be able to move on with their lives (including me.)

I strongly support HB 2929HD1 and I am asking all of your representatives ensure us to see this bill pass.

Thank you for this opportunity to speak to the committee via testimony.

Sincerely,


Vinh Alkire-Clemen

February 26, 2008

House of Representatives
The Twenty-fourth Legislature

Finance Committee
Representative Marcus Oshiro
and Committee members

Testimony in support of HB 2929 HD 1

My name is Laurie Hamano, president of Vocational Management Consultants. We are vocational rehabilitation counselors in the community for the past 25 + years working with injured workers as well as Hawaii Injured Workers Alliance members and International Association of Rehabilitation Specialists or Rehabilitation Counselor members. We support HB 2929 as this bill supports the mutually agreed upon Independent Medical Evaluations.

We have experienced the trauma with our injured workers who have been subjected to numerous IMES on their cases as they are told over and over by these Employer selected doctors that "there is nothing wrong with you; go back to work" only to find that they cannot return and either reinjure or are terminated from their jobs. These cases never receive the proper care or diagnosis that assists them to recover and return to their productive lives.

We support this bill but would like to mention consideration for modifying the language in regard to the time frames in which to schedule the IME appointments as well as the time frame that the IME's are to be completed by. We do not think that these time frames appear to be realistic. Furthermore, the need for redefining the words "medical stability" would cause more confusion rather than stream lining the system.

Lastly, the bill previously dealt with the physician requirements more broadly and we believe that by simplifying that portion of the bill here would promote the agreement to an IME and utilize the DLIR in determining a list of physicians that would be eligible for Independent Evaluations.

We would support this bill with the modifications we are suggesting.

Thank you for this opportunity to provide our testimony to the committee.

Our address and phone number is:

*715 S. King Street Suite 410
Honolulu, HI 96813 #538-8733
Laurie H. Hamano M. Ed. CRC, MHC
Kirsten Harada, M. Ed. CRC, MHC
Patti Inoue, M. Ed. CRC, MHC*

Marcia Berkowitz, CRC, MHC

Beverly Tokumine, M. Ed. CRC, MHC

Hawaii Injured Workers Alliance Members

And

Vocational Management Consultants, Inc.

And

International Association of Rehabilitation Providers

PETITION

LATE

I am an injured worker. Please support HB 2929 (a.k.a. Independent Medical Examinations). Immediate access to fair medical assessments will facilitate my recovery and my return to work.

NAME (print & sign) CONTACT # DATE

Helen Cordeiro - Helen Cordeiro	722-9473	1/30/08
Wayne D. Pasqua - Wayne D. Pasqua	689-4786	1/30/08
DAVID ISHII		1/31/08
Mary Thomas - Mary Thomas	721-7054	1/31/08
Evonne K. Konanni - Evonne K. Konanni	883-0692	1/31/08
Alberto Kaisa - Alberto Kaisa	296-9578	1/31/08
Leanor R. Arieta - Leanor R. Arieta	256-0015	1/31/08
Anthony Sanchez	220-8512	1-31-08
Deborah Reuter	732-2636	1-31-08
Paul Lopez	48-3365	1-31-08
Elizabeth Maglay	342-4365	2/1/08
Monica K. Almeida	699-6263	2/1/08
Taffrey Mindora	234-3119	2/1/08
Ellen L. Kamai	347-0783	2/1/08
Elaine Mortenson - Elaine Mortenson	261-5491	02 Feb 08
Precious Taylor	638-3249	2/1/08
N/A OKIMOTO	206-3950	2/1/08
Edward K. K... of	696-6565	02-01-08
Randy...	360-0023	2-4-08
Darrell...	552-2600	2-4-08
Richard...	348-2482	2-6-08
Odelio...	822-601751	2-6-08
John A. Young	330-3790	02/06/08

LATE

PETITION

I am an injured worker. Please support HB 2929 (a.k.a. Independent Medical Examinations). Immediate access to fair medical assessments will facilitate my recovery and my return to work.

<u>NAME (print & sign)</u>	<u>CONTACT #</u>	<u>DATE</u>
JOSEPH FORESE	398-3897	2/7/08
LUSA Ouyicq	699-6421	
Kawailani Soma	228-9075	2/8/08
Angela Kekahu	982-9250	2/8/08
Michelle Busuel	4577735	2/8/08
Leah Bates	239-8012	2/8/08
Tracy Zafranko	423-2548	2/8/08
Celeste Katayama	256-8041	2/8/08
Mary Thomas	7277054	2/15/08
Tracy Smith	723-2552	2/15/08
Leonard Smith	723-1046	2/15/08
Angel Smith	688-4083	2/15/08
Christopher Lee	364 2077	2/19/08
chad Kobashigawa	399 2500	2/20/08
Alfred Geroza	214-3690	2/20/08
Juliana Grunick	699-6243	2/20/08