

Honolulu, Hawaii  
Feb 3, 2010

RE: H.B. No. 2637

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2637 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL AND REHABILITATION BENEFITS,"

begs leave to report as follows:

The purpose of this bill is to ensure that injured workers have access to appropriate care by clarifying that a physician or surgeon may conduct diagnostic testing or engage in a one-time consultation for a subspecialty diagnostic evaluation and treatment recommendations from a board certified or licensed specialist without contest by an insurer or employer.

The Hawaii Injured Workers Alliance, Hawaii Medical Association, ILWU Local 142, and a concerned individual supported this bill. The Hawaii Insurers Council supported this measure with amendments. The Department of Human Resources Development and Department of Labor and Industrial Relations opposed this bill.

The ability to diagnose an injury or illness accurately and expeditiously should be an uncontested right of all licensed physicians, however, that ability is frequently thwarted by payers who undermine a treating doctor's efforts using tactics such as "denial pending investigation," "denial pending an independent medical exam," or simply not responding to a physician's efforts to clarify an injured worker's condition. Although done as a means of "cost control" or "utilization management," these efforts



undermine treating physicians' abilities to clarify the patient's condition and efficiently focus available treatments.

Your Committee is aware of concerns raised that without language stipulating that the referral is within occupational medical guidelines and the physician or surgeon has no financial interest in the diagnostic testing, the subspecialty diagnostic evaluator's practice, or the licensed specialist's practice, the system may be subject to abuse. Your Committee feels, however, that this issue warrants further discussion and these concerns may be adequately addressed in subsequent committees, should they choose to hear this measure.

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. 2637 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

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



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KARL RHOADS, Chair



