

DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU
850 SOUTH KING STREET 10TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 788-8500 • FAX: (808) 768-5583 • INTERNET: www.honolulu.gov/hr

PETER B. CARLISLE
MAYOR



NOEL T. ONO
DIRECTOR

February 1, 2011

The Honorable Karl Rhoads, Chair
and Members of the Committee on Labor
and Public Employment
The Honorable Angus L.K. McKelvey, Chair
and Members of the Committee on Economic
Revitalization and Business
The House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Rhoads and McKelvey and Members:


Subject: House Bill No. 463
Relating to Medical and Rehabilitation Benefits

The City and County of Honolulu strongly opposes House Bill No. 463, which amends Section 386-21 (b), Hawaii Revised Statutes (HRS), by allowing for diagnostic testing or a one-time consultation for subspecialty diagnostic evaluation in a workers' compensation claim regardless of whether such testing or consultation is medically necessary. In addition, the bill provides that the consultation may be made regardless of whether the specialist works in a medical facility in which the referring physician has a financial interest.

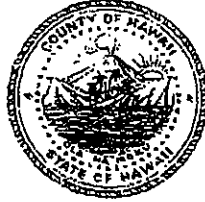
Currently, Hawaii Administrative Rules allow for consultations upon request of the treating physician and approval of the employer or insurance carrier. The proposed change to HRS Section 386-21 (b) requires the employer or insurance carrier to pay for a one-time consultation without allowing the employer or insurance carrier the opportunity to assess whether it is reasonable, necessary and related to a work injury. In addition, because the consulting specialist may work for the same medical facility in which the treating physician has a financial interest, there is potential for serious abuse on every claim. This change to the workers' compensation law will increase the cost of business in Hawaii, remove one of the few checks and balances of the system, and create an environment for potential abuse of the system by the medical community.

We respectfully urge your respective committees to file House Bill No. 463.

Yours truly,


Noel T. Ono
Director

William P. Kenoi
Mayor



Ronald K. Takahashi
Director of Human Resources

Sharon Torino
Deputy Director of Human Resources

County of Hawai'i
Department of Human Resources

Aupuni Center • 101 Puunui Street, Suite 2 • Hilo, Hawai'i 96720 • (808) 961-8361 • Fax (808) 961-8617
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January 28, 2011

The Honorable Karl Rhodes, Chair
And Members of the Committee on Labor & Public Employment
House of Representatives
State Capitol
Honolulu, HI 96813

Dear Chair Rhodes and Members of the Committee:

Re: House Bill No. 463 Relating to Medical and Rehabilitation Benefits

I am Ronald K. Takahashi, the Director of Human Resources of the County of Hawai'i. I am testifying in opposition to H.B. 463.

The purpose of H.B. No. 463 is to clarify that an injured employee's physician or surgeon may conduct diagnostic testing or engage in a one-time consultation for subspecialty diagnostic evaluation and treatment recommendations from a board certified or licensed specialist, regardless of whether the board certified or licensed specialist works in a medical facility in which the physician or surgeon has a financial interest.

The County of Hawai'i, Department of Human Resources opposes this bill, as it deprives the employer the essential right to challenge the referral on the basis of such referral not being reasonable or necessary for a condition that is unrelated to the industrial injury.

As written, this bill will more than likely cause for an adversarial relationship between the employer, claimant, and physician, and result in an employer having to make payments for potentially inappropriate or unnecessary diagnostic testing. This bill removes one of the imperative checks and balances that the employer must have in order to appropriately manage workers' compensation claims.

Hawai'i County is an Equal Opportunity Provider and Employer.

The Honorable Karl Rhodes
January 28, 2011
Page 2 of 2

We respectfully request and urge the Committee to table this bill.

Thank you.

Sincerely,

Sharon Jordano for

Ronald K. Takahashi
Director of Human Resources

RECEIVED
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SERGEANT-AT-ARMS
HOUSE OF
REPRESENTATIVES



Hawaii Injured Worker's Alliance

715 South King Street Suite #410
Honolulu, Hawaii 96813
Phone: 538-8733 (Oahu)
Phone: (888) 598-8115 Neighbor Islands
Web Site: www.hawaiinjuredworkersalliance.com

January 31, 2011

The Twenty-Sixth Legislature, State of Hawaii
Regular Session 2011
House of Representatives
Committee on Labor and Public Employment
And
Committee on Economic Revitalization & Business

HB 463 RELATING TO MEDICAL AND REHABILITATION BENEFITS.

Clarifies that an injured employee's physician or surgeon may conduct diagnostic testing or engage in a one-time consultation for subspecialty diagnostic evaluation and treatment recommendations from a board certified or licensed specialist.

The Hawaii Injured Workers Alliance strongly supports this measure.

The ability to move quickly and accurately to resolve an injury is foremost in the mind of doctors. By giving doctors this one-time consultation it would help bring about a faster resolution of the injury.

We believe this bill will bring about a faster resolution to claimant injury.

We agree this is a positive step for injured workers in the State of Hawaii.

Your passage of this bill would be greatly appreciated.

George Waialeale
Executive Director
Hawaii Injured Workers Alliance

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE 2011
STATE OF HAWAII

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Karl Rhoads, Chair
Rep. Kyle T. Yamashiro, Vice Chair

COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS

Rep. Angus L.R. McKelvey, Chair
Rep. Issac W. Choy, Vice Chair

TESTIMONY OF ILWU LOCAL 142 RE: H.B. 463
RELATING TO MEDICAL AND REHABILITATION BENEFITS

Chair Rhoads, Chair McKelvey, Vice Chair Yamashiro, Vice Chair Choy, Members of the Committee on Labor & Public Employment, Members of the Committee on Economic Revitalization & Business:

Thank you for the opportunity to testify regarding H.B. 463. We support this bill.

H.B. 463 affords a claimant's treating physician the opportunity to engage in diagnostic testing or to secure a consultation with a subspecialty physician without the approval of the employer.

This simple expedient will be of great value to securing prompt and effective medical treatment to injured workers and will significantly aid in insuring an accurate diagnosis is made promptly so that medical care can be rendered expeditiously. In combating disability, time is money. Freeing physicians to make a subspecialty referral or to conduct basic diagnostic testing without review is a major advance and will in the long run reduce costs.

If diagnostic testing is done to determine if the Claimant has a herniated disc, for example, speedy recognition of such an impairment will hasten surgery, where that is necessary. Often the ability to achieve a favorable result is dependent in part on conducting the surgery quickly and operative outcomes are less successful with the passage of time. Obviously, periods of disability can also be shortened where surgery is done immediately because the injured worker can recover more quickly and in principle, the more rapidly surgery is conducted the more rapidly recuperation and rehabilitation can begin.

We also recognize that some may criticize this bill because they allege that it simply creates additional non-reviewable billing opportunities for physicians to inflate

costs with imaging studies and referrals to sub-specialists. This perspective is steeped in cynicism and suggests that physicians will request unnecessary tests and refer to their sub-specialty colleagues based on greed rather than medical necessity. However, if one cannot trust the medical profession to seek medical care referral only as it is truly necessary, any attempt at medical cost control may be irretrievably doomed to failure.

ILWU Local 142 believes the vast majority of physicians are responsible and objective practitioners who should be empowered to do what they do best—to render care and healing to injured persons without unnecessary delay or regulation. We therefore support H.B. 463 and support its passage.



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

Tuesday, February 1, 2011, 9:00 A.M., Conference Room 309

To: COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Rep. Karl Rhoads, Chair
Rep. Kyle T. Yamashita, Vice Chair
COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS
Rep. Angus L.K. McKelvey, Chair
Rep. Isaac W. Choy, Vice Chair

From: Hawaii Medical Association
Dr. Morris Mitsunaga, MD, President
Linda Rasmussen, MD, Legislative Co-Chair
Dr. Joseph Zobian, MD, Legislative Co-Chair
Dr. Christopher Flanders, MD, Executive Director
Lauren Zirbel, Community and Government Relations

Re: HB 463 RELATING TO MEDICAL AND REHABILITATION BENEFITS

In Support

Chairs & Committee Members:

Hawaii Medical Association supports HB 463 Relating Medical and Rehabilitation Benefits as a measure to help expedite care for injured workers and avoid long delays with denials that may have no basis in medical need.

Thank you for the opportunity to testify.

OFFICERS

**PRESIDENT - MORRIS MITSUNAGA, MD PRESIDENT-ELECT - ROGER KIMURA, MD
SECRETARY - THOMAS KOSASA, MD IMMEDIATE PAST PRESIDENT - DR. ROBERT C. MARVIT, MD TREASURER
- STEPHEN KEMBLE, MD EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, MD**



Testimony by: Derrick Ishihara, PT
HB 463, Relating to Medical and Rehabilitation Benefits
Hse LAB/ERB, Tues. February 1, 2011
Room 309, 9:00 am Position: Support

Chair Rhoads and McKelvey and Members of the Hse LAB/REB Committee:

I am Derrick Ishihara, P.T., Legislative Committee member of the Hawaii Chapter – American Physical Therapy Association (HAPTA) and small business owner of a private practice clinic. HAPTA represents 250-300 physical therapists and physical therapist assistants employed in hospitals, nursing homes, the Armed Forces, the Department of Education and Department of Health (DOH) systems, and private clinics throughout our community. Physical therapists work with everyone, from infants to the elderly, to restore and improve function and quality of life. 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 function from neuromusculoskeletal injuries and impairments.

We support this measure because it will expedite care to the injured employee. The hearings process is very drawn out when the insurance carrier challenges the request for surgical or other sub-specialist consult.

We request an amendment to ensure that if more than one sub-specialty provider is needed for evaluation of a severe, multi-system injury, each sub-specialist is allowed to evaluate and obtain necessary testing without prior authorization of the insurance carrier.

Paying for the consult fee, in the short run, may be less expensive than challenging the case and the long drawn out process to settle the case. Ultimately, it will benefit the injured worker's rehabilitation and return to work.

I can be reached at 593-2610 if you have any questions. Thank you for the opportunity to testify.



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1003 Bishop Street
Honolulu, Hawaii 96813
Telephone (808) 525-5877
Facsimile (808) 525-5879

Alison Powers
Executive Director

TESTIMONY OF LINDA O'REILLY

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Representative Karl Rhoads, Chair
Representative Kyle T. Yamashita, Vice Chair

HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS
Representative Angus L.K. McKelvey, Chair
Representative Isaac Choy, Vice Chair

Tuesday, February 1, 2011
9:00 a.m.

HB 463

Chair Rhoads, Chair McKelvey, and members of the Committees, my name is Linda O'Reilly, Workers' Compensation Claims Manager at First Insurance. I am here representing 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 40% of all property and casualty insurance premiums in the state.

Hawaii Insurers Council opposes HB 463. This bill would allow a physician or surgeon to conduct diagnostic testing or engage in a one-time consultation for a subspecialty diagnostic evaluation and treatment recommendations that shall not be subject to contest by an insurer or employer. It further allows the one-time consultation to be made regardless of whether or not the physician or surgeon has a financial interest.

This proposal for uncontested referrals and unlimited diagnostic testing does not allow the employer due process to adjudicate medical treatment that is neither reasonable nor necessary.

HB 463 will likely add costs to the workers' compensation system if there is increased abuse in this area. Without the adoption of nationally recognized utilization guidelines, such as Official Disability Guidelines (ODG), which has been adopted by 23 states, practitioners may seek to increase revenues by referring the patient to a specialist within their group practice or conducting unnecessary diagnostic tests, especially since the bill allows for unlimited diagnostic testing. Without utilization guidelines, any provider of service could order a "diagnostic test" such as bio-feedback, stress analyses, and other non-FDA approved "tests" and refer the patient to a variety of different specialists for each or for the same diagnosis regardless if it was accepted as part of the claim.

We respectfully request that HB 463 be held.

Thank you for the opportunity to testify.



Property Casualty Insurers
Association of America

Shaping the Future of American Insurance

2600 South River Road, Des Plaines, IL 60018-3286

January 31, 2011

To: The Honorable Karl Rhoads, Chair
House Labor & Public Employment Committee

The Honorable Angus L.K. McKelvey, Chair
House Economic Revitalization & Business Committee

From: Samuel Sorich, Vice President

Re: **HB 463 – Relating to Medical and Rehabilitation Benefits**
PCI Position: Oppose

Date: Tuesday, February 1, 2011
9:00 a.m.; Conference Room 309

Aloha Chair Rhoads, Chair McKelvey and Committee Members,

The Property Casualty Insurers Association of America (PCI) is opposed to HB 463.

HB 463 would allow a physician or surgeon to conduct a diagnostic test or engage in a one-time consultation for a subspecialty diagnostic evaluation without being subject to review by the injured employee's insurer or employer. The bill would allow the consultation to be made to a specialist who works in a medical facility in which the physician or surgeon has a financial interest.

HB 463 should be rejected because the bill would increase workers compensation costs and encourage dishonest practices. The right of an insurer or employer to determine whether a medical procedure is reasonable, necessary and related to a workplace injury provides a critical control on workers compensation costs and an important safeguard to assure that a medical procedure will help the injured employee return to work. The abolishment of this right for those procedures covered by HB 463 would remove an important control on costs without accomplishing anything that assures better treatment for injured employees.

Moreover, the bill's authorization for physician referrals to facilities in which the physician has a financial interest would create an environment that encourages financial kickbacks and unnecessary treatments. There is no good reason to create such a scenario. Any problems caused by a possible delay in going to another facility in which the physician does not have a financial interest are clearly outweighed by the prospect of kickbacks and questionable treatments.

PCI believes that HB 463 would be harmful to Hawaii's workers compensation system. We respectfully urge the Committees to reject the bill.

THE LAW OFFICES OF DOUGLAS THOMAS MOORE

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Century Square
1188 Bishop Street, Suite 1401
Honolulu, Hawai'i 96813

Telephone: (808) 526-0056
Fax: (808) 526-0057
Moore4640@hawaiiantel.net

January 31, 2011

VIA EMAIL: LABTestimony@Capitol.hawaii.gov

TO: House Labor Committee
Hon. Rep. Karl Rhoads, Chair

Re: TESTIMONY IN SUPPORT OF HB 463
TO BE HEARD 2/1/11 @ 9:00 a.m-12:00 p.m

Dear Rep. Rhoads and Committee Members:

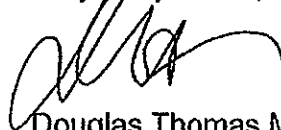
I represent injured workers in their workers' compensation claims. I support HB 463. The intention of the bill is to enable injured workers to obtain the needed diagnostic testing and diagnostic evaluation and treatment recommendations from medical specialists.

All too often, injured worker claimants are denied the diagnostic testing and specialist evaluations that they need to get the medical treatment they need for proper rehabilitation from their work injuries. Employers and insurance carriers, who often have no medical expertise, routinely deny diagnostic testing and specialist evaluations without merit. As a result, the injured worker typically does not receive medical testing/treatment that they need. This creates great hardship to the injured worker who suffers physically and mentally. This must be corrected and this bill will accomplish the goal.

Please pass this bill. Thank you.

Should you have any questions or need further information from me, please do not hesitate to contact me.

Very Truly Yours,



Douglas Thomas Moore

**LAW OFFICES OF
STANFORD H. MASUI**

A LIMITED LIABILITY CORPORATION

Seven Waterfront Suite 400 • 500 Ala Moana Blvd. • Honolulu, HI 96813

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TESTIMONY IN SUPPORT OF HB 463

In the field of workers' compensation, judicial rules have been supplemented by the legislative mandate to liberally interpret the statutes to further the humanitarian purpose of the laws and various presumptions, which require that doubts be resolved in favor of the claimant. Akamine v. Hawaiian Packing and Crating, Co., 53 Hawai'i 406, 414, 495 P.2d 1164 (1972); DeFries v. Ass'n of Owners, 57 Hawai'i 296, 304, 555 P.2d 885 (1976). After all, injured workers were stripped of their right to sue their employers with the enactment of the workers' compensation statute in 1915 in exchange for the prompt payment of benefits as a cost of doing business for the employers. HRS § 386-5 (exclusiveness of right to compensation under the statute). However the present system as it presently functions is a subversion of the original intent of workers' compensation.

The present practice for allowance of medical treatment under our Workers' Compensation law, Chap. 386 as it has been administratively structured has become dysfunctional. As members of your committee probably are aware, most of the medical profession has dropped out of the Worker's Compensation system out of frustration and lack of adequate financial compensation.

This bill seeks to correct an aspect of delay in treatment. The few medical professionals willing to treat injured workers are constantly hamstrung by the inability to readily conduct diagnostic testing or obtain a consultation under the workers compensation system with a specialist in the field to further determine treatment and diagnostic recommendations.

There are now frequent insurance carrier objections even at the outset of an injury to requests for treatment, diagnostic testing or consultation. It was estimated by one member of the Labor and Relations Appeals Board that about 50% of appeals before the Board are now related to the denials of treatment plans under current law and practice.

These objections to treatment are frequently being made by insurance personnel without medical training, or minimal medical knowledge. Moreover, many medical providers will hesitate to provide the diagnostic testing or consultation under private medical insurance when confronted with a denial by a worker's compensation insurance company. The result is delay in medical services for the injured worker and rapid return to the work force. This needed change in the law will expedite treatment and allow flexibility to the treating physician at the outset of an injury.

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yamashita2 ----

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 31, 2011 11:03 AM
To: LABtestimony
Cc: lhamano@vmchawaii.com
Subject: Testimony for HB463 on 2/1/2011 9:00:00 AM

Testimony for LAB/ERB 2/1/2011 9:00:00 AM HB463

Conference room: 309
Testifier position: support
Testifier will be present: No
Submitted by: Laurie Hamano
Organization: Vocational Management Consultants Inc.
Address: 715 S. King Street Suite 410 Honolulu, Hawaii
Phone: 808 5388733
E-mail: lhamano@vmchawaii.com
Submitted on: 1/31/2011

Comments:

This testimony is for 2 bills HB 463 and HB 464. Thank you.

Honorable Chair Rep. Karl Rhodes, Rep. Angus L.K McKelvey, Vice Chair Rep. Kyle T., Yamashita, Rep. Isaac W. Choy, and committee members of the Committee on Labor & Public Employment and Committee on Economic Revitalization & Business respectively

Aloha!

My name is Inam Rahman MD. I am a private practicing medical doctor in State of Hawaii. Beside Internal Medicine, my practice includes work and sports related injuries. I have been practicing medicine in Honolulu, Hawaii for the last 19 year.

I am writing this testimony in support of House Bill HB 463 relating to Workers Compensation, Medical and Rehabilitation benefits.

I and my colleagues have, very frequently, faced the challenge of providing the best and timely treatment to our injured patients due to delay in diagnostic work up such as X-rays, MRI, and EMG's and specialist's (mostly orthopedic and neuro-surgeons) consultation and evaluation. Sometimes wait has been up to three to four months or longer after the injury. There has been instances when adjuster or case worker will not authorize any diagnostic work-up, treatment or evaluation until two to three months long investigation of injury and IME'S evaluation has been completed.

I strongly believe that this bill will allow injured workers to return to their full duty by providing timely diagnosis, evaluation and treatment of their injuries, hence saving tremendous amount of our work force hours from being wasted. It will also reduce significant amount of economical, and social burden on injured workers and their families.

I respectfully ask the honorable chairs and committee members to pass bill HB-463

Sincerely,

Inam Rahman MD

1649 Liliha street

Honolulu, Hi 96817

808-521-1165

yamashita2 ----

From: Joseph Zuiker [zuikerlw@pixi.com]
Sent: Monday, January 31, 2011 9:18 AM
To: LABtestimony
Subject: HB 463 Strong support

This bill will also expedite treatment for injured workers and that will save employers and insurance carriers hundreds of thousands of dollars in reduced weekly benefit payments during the next year.

Speed up work comp. claims. Please pass this important bill.

Joseph Zuiker
1188 Bishop St.
Suite 1111
Honolulu, Hawaii 96813



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

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LATE

February 1, 2011

To: The Honorable Karl Rhoads, Chair
and Members of the House Committee on Labor & Public Employment

The Honorable Angus L.K. McKelvey, Chair
and Members of the House Committee on Economic Revitalization & Business

Date: February 1, 2011
Time: 9:00 a.m. – 12:00 p.m.
Place: Conference Room 309, State Capitol

From: Dwight Y. Takamine, Interim Director
Department of Labor and Industrial Relations

Testimony in SUPPORT

to

H.B. No. 463 Relating to Medical and Rehabilitation Benefits

I. OVERVIEW OF PROPOSED LEGISLATION

House Bill 463 proposes to amend Section 386-21(b), HRS, by clarifying that a injured employee's 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 denial from the insurer or employer. This proposal also allows the one-time consultation to be made at a medical facility in which the physician or surgeon may be on staff or has a financial interest.

II. CURRENT LAW

The current law allows an injured employee to select any physician or surgeon who is practicing on the island where the injury was incurred to render medical care. The current Workers' Compensation Medical Fee Schedule Administrative Rules (WCMFS) allows for Consultations under Section 12-15-42, when additional medical opinions and treatment are warranted.

Under Section 12-15-42, WCMFS, consultations may be requested by the attending physician, the injured employee, the employer, or the director, whenever another physician with expertise and experience on the subject may be required. Consultation referrals must be authorized by the employer/insurance carrier (hereafter "employer") or granted upon order of the director. The employer, upon receipt of a consultation request, shall respond within seven calendar days after postmark of such request, giving authorization or stating in writing the reason for refusal to the attending physician, the injured employee, and the director. If the employer denies the consult, the attending physician or the injured employee may request the director to review the employer's denial and a hearing will be held to approve or deny the request for consultation based on the evidence presented.

The current law does not address referrals to a medical facility in which the physician or surgeon has a financial interest.

III. HOUSE BILL

The Department supports the intent of this amendment to expedite the process of a workers' compensation claim. However the Department questions the intent of the wording, "provided that the onetime consultation may be made regardless of whether the board certified or licensed specialist is on the staff of or affiliated with a medical facility in which the physician has a financial interest."

LATE

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



SUNSHINE P. W. TOPPING
INTERIM DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

JANUARY 31, 2011

TESTIMONY TO THE
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS
For Hearing on Tuesday, February 1, 2011
9:00 A.m., Conference Room 309

BY

SUNSHINE P.W. TOPPING
INTERIM DIRECTOR

**House Bill No. 463
Relating to Medical and Rehabilitation Benefits**

(WRITTEN TESTIMONY)

TO CHAIRPERSONS KARL RHOADS, ANGUS I. K. McKELVEY, AND MEMBERS OF
THE COMMITTEES:

The purpose of H. B. No. 463 is to clarify that a physician or surgeon may conduct diagnostic testing or engage in a one-time consult for a subspecialty diagnostic evaluation and treatment recommendations from a board certified or licensed specialist.

The Department of Human Resources Development is strongly opposed to this bill for the following reasons:

1. This bill will deprive the self insured employer or insurance carrier of a fundamental right to challenge the referral on the basis of it not being reasonable or necessary or for a condition that is unrelated to the industrial injury.
2. It will likely add to the current adversarial nature of the system and increase costs by removing one of the checks and balances currently afforded employers and insurance carriers.

Based on the above reasons, we strongly urge the Committees to hold this bill.

Work*Star™

Injury Recovery Center

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LATE

The Twenty-Sixth Legislature, State of Hawaii
Regular Session 2011

House of Representatives

Committee on Labor and Public Employment

And

Committee on Economic Revitalization & Business

HB 463 RELATING TO WORKERS COMPENSATION

Dear Honorable Committee Members,

I am writing in support of this legislation, which gives the treating physician a guarantee of a minimum of diagnostic testing and investigation and working up a work-related injury. This bill would not be necessary whether or not so many “denied pending investigation” by insurance, which is now estimated to involve well over 15% of the approximately 25,000 workers’ compensation injuries claimed yearly.

Such “denial pending investigation” unfortunately is being used without specifications regarding the type of “investigation” underway and is, in actuality, a medical-legal maneuver to give insurers enough time for one of its chosen doctors to deny and withhold care. Unfortunately, since this technique is applied to legitimately injured workers, the patient lacks the ability to have their problem diagnosed and treated appropriately in accordance with the community and national medical standards. Without such care, the patient is thrust into a “limbo” status, unable to recover and, unfortunately, unable to utilize his/her private insurance without misrepresenting how they were injured or became ill.

It is indeed unfortunate that legislation of this type is necessary since Hawaii’s Workers’ Compensation HRS 386 statute should provide full and complete care for those injured at work in lieu of injured workers tort action against the employer. However, through various “remedies” such as “denied pending investigation” insurers have found ways to deny and delay care pushing liability off on other state and federal social welfare systems to the detriment of the community.

Thank you for supporting this measure which provides a minimum of care for those injured in the line of their duties. This is at least a small patch in the broken safety net we call workers’ compensation.

Mahalo nui loa,

D. Scott McCaffrey, M.D.
Work*Star Injury Recovery Center
Board Member, Board of Advisors
Hawaii Injured Workers Alliance