



Pauahi Tower, Suite 2010  
1003 Bishop Street  
Honolulu, Hawaii 96813  
Telephone (808) 525-5877  
Facsimile (808) 525-5879

**Alison Powers**  
Executive Director

## TESTIMONY OF LINDA O'REILLY

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SENATE COMMITTEE ON HEALTH  
Senator Josh Green, M.D., Chair  
Senator Clarence K. Nishihara, Vice Chair

Wednesday, February 9, 2011  
2:45 p.m.

### **SB 279**

Chair Green, Vice Chair Nishihara and members of the Committee, 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** SB 279. 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.

SB 279 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