## A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION MEDICAL FEE SCHEDULES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 386-21, Hawaii Revised Statutes, is 2 amended by amending subsection (c) to read as follows:
- 3 "(c) The liability of the employer for medical care,
- 4 services, and supplies shall be limited to the charges computed
- 5 as set forth in this section. The director shall make
- 6 determinations of the charges and adopt fee schedules based upon
- 7 those determinations. Effective January 1, 1997, and for each
- 8 succeeding calendar year thereafter, the charges shall not
- 9 exceed one hundred ten per cent of fees prescribed in the
- 10 Medicare Resource Based Relative Value Scale applicable to
- 11 Hawaii as prepared by the United States Department of Health and
- 12 Human Services, except as provided in this subsection.
- 13 Effective January 1, 2014, and for each succeeding calendar year
- 14 thereafter, the charges shall not exceed one hundred thirty per
- 15 cent of fees prescribed in the Medicare Resource Based Relative
- 16 Value Scale applicable to Hawaii as prepared by the United
- 17 States Department of Health and Human Services, except as
- 18 provided in this subsection. The rates or fees provided for in



- this section shall be adequate to ensure at all times the 1 2 standard of services and care intended by this chapter to 3 injured employees. If the director determines that an allowance under the 4 5 medicare program is not reasonable or if a medical treatment, accommodation, product, or service existing as of June 29, 1995, 6 is not covered under the medicare program, the director, at any 7 time, may establish an additional fee schedule or schedules not 8 9 exceeding the prevalent charge for fees for services actually 10 received by providers of health care services, to cover charges 11 for that treatment, accommodation, product, or service. If no prevalent charge for a fee for service has been established for 12 13 a given service or procedure, the director shall adopt a 14 reasonable rate which shall be the same for all providers of 15 health care services to be paid for that service or procedure. 16 The director shall update the schedules required by this section every three years or annually, as required. The updates **17** 18 shall be based upon:
- 19 (1) Future charges or additions prescribed in the Medicare
  20 Resource Based Relative Value Scale applicable to
  21 Hawaii as prepared by the United States Department of
  22 Health and Human Services; or

HB152 HD1 HMS 2013-1606-1

7

8

9

**10** 

11

12

1 (2) A statistically valid survey by the director of
2 prevalent charges for fees for services actually
3 received by providers of health care services or based
4 upon the information provided to the director by the
5 appropriate state agency having access to prevalent
6 charges for medical fee information.

When a dispute exists between an insurer or self-insured employer and a medical services provider regarding the amount of a fee for medical services, the director may resolve the dispute in a summary manner as the director may prescribe; provided that a provider shall not charge more than the provider's private patient charge for the service rendered.

When a dispute exists between an employee and the employer 13 14 or the employer's insurer regarding the proposed treatment plan 15 or whether medical services should be continued, the employee shall continue to receive essential medical services prescribed 16 **17** by the treating physician necessary to prevent deterioration of 18 the employee's condition or further injury until the director issues a decision on whether the employee's medical treatment 19 20 should be continued. The director shall make a decision within thirty days of the filing of a dispute. If the director 21 22 determines that medical services pursuant to the treatment plan

HB152 HD1 HMS 2013-1606-1

# H.B. NO. H.D. 1

- 1 should be or should have been discontinued, the director shall
- 2 designate the date after which medical services for that
- 3 treatment plan are denied. The employer or the employer's
- 4 insurer may recover from the employee's personal health care
- 5 provider qualified pursuant to section 386-27, or from any other
- 6 appropriate occupational or non-occupational insurer, all the
- 7 sums paid for medical services rendered after the date
- 8 designated by the director. Under no circumstances shall the
- 9 employee be charged for the disallowed services, unless the
- 10 services were obtained in violation of section 386-98. The
- 11 attending physician, employee, employer, or insurance carrier
- 12 may request in writing that the director review the denial of
- 13 the treatment plan or the continuation of medical services."
- 14 SECTION 2. New statutory material is underscored.
- 15 SECTION 3. This Act shall take effect on January 1, 2113.

### Report Title:

Workers' Compensation; Medical Fee Schedules

### Description:

Increases maximum allowable medical fees under workers' compensation to 130 percent of the Medicare Resource Based Relative Value Scale. Effective January 1, 2113. (HB152 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.