

Honolulu, Hawaii
March 4, 2016

RE: H.B. No. 2017
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2017 entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION TREATMENT PLANS,"

begs leave to report as follows:

The purpose of this measure is to improve the efficiency of Hawaii's workers' compensation system by allowing physicians to transmit an injured employee's treatment plan to an employer via facsimile, secure email, or other internet communication.

The Hawaii Medical Association, Hawaii Injured Workers Association, American Physical Therapy Association Hawaii Chapter, HAPA, and numerous individuals testified in support of this measure. The Department of Human Resources of the City and County of Honolulu, National Association of Mutual Insurance Companies, and The Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Human Resources Development, Department of Labor and Industrial Relations, and Hawaii Insurers Council provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing an employer to accept a treatment plan transmitted by a physician through secure web portal or secure electronic mail;



- (2) Mandating, beginning January 1, 2021, an employer to allow a physician to transmit a treatment plan to an employer by facsimile, secure web portal, or secure electronic mail;
- (3) Specifying that after acceptance of the treatment plan, an employer may file an objection to the plan if new documentary evidence is received contrary to the accepted treatment plan; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that, as received by your Committee, this measure would have inadvertently obviated the standard practice of submitting treatment plans by mail and, amended this measure to cure this oversight. Your Committee addressed the City and County of Honolulu's concerns, that the City does not have the technology to comply with secure web portal and secure electronic mail treatment plan submission requirements, by providing a period of time to phase in the use of these technologies and phase out the use of mail by January 1, 2021. Finally, giving employers seven calendar days to respond to a proposed treatment plan may not be a reasonable timeframe, so your Committee amended this measure to provide a responsive timeframe of seven business days.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2017, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2017, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. McKELVEY, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

| Bill/Resolution No.: HB 2017 | Committee Referral: LAB, CPC | Date: 3-2-16 | | |
|---|---------------------------------|-----------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| CPC Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. McKELVEY, Angus L.K. (C) | / | | | |
| 2. WOODSON, Justin H. (VC) | / | | | |
| 3. BELATTI, Della Au | / | | | |
| 4. BROWER, Tom | / | | | |
| 5. CREAGAN, Richard P. | / | | | |
| 6. HAR, Sharon E. | / | | | |
| 7. HASHEM, Mark J. | / | | | |
| 8. KAWAKAMI, Derek S.K. | / | | | |
| 9. LEE, Chris | / | | | |
| 10. NAKASHIMA, Mark M. | | | | / |
| 11. OSHIRO, Marcus R. | / | | | |
| 12. SAN BUENAVENTURA, Joy A. | / | | | |
| 13. TAKAYAMA, Gregg | / | | | |
| 14. YAMANE, Ryan I. | / | | | |
| 15. FUKUMOTO CHANG, Beth | / | | | |
| 16. McDERMOTT, Bob | / | | | |
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| TOTAL (16) | 15 | 0 | 0 | 1 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; margin-left: 100px;">committee acronym(s)</div> | | | | |
| Vice Chair's or designee's signature: _____ | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |