

STAND. COM. REP. NO. 3097

Honolulu, Hawaii

MAR 24 2016

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

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,  
to which was referred H.B. No. 2017, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow physicians to submit workers' compensation treatment plans to employers by certified mail or facsimile;
- (2) Beginning January 1, 2021, allow physicians to submit workers' compensation treatment plans to employers by facsimile, secure web portal, or secure electronic mail; and
- (3) Specify requirements for receipt and acceptance of treatment plans, including requiring employers to accept electronically submitted treatment plans and provide an electronic receipt of the submission.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, Hawaii Insurers Council, and three individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources of the City and County of Honolulu. Your Committee received

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comments on this measure from the Department of Human Resources Development and Department of Labor and Industrial Relations.

Your Committee finds that the State's existing system, which requires physicians to submit treatment plans in workers' compensation claims, is in need of modernization, given the many advancements in technology. Providing physicians with options, including facsimile and electronic means, for the transmittal of treatment plans will improve the efficiency and responsiveness of all parties in Hawaii's workers' compensation system.

However, your Committee has heard the concerns that some employers, including certain government departments and agencies, may lack the technology to comply with the proposed requirement under this measure for an automatic electronic receipt as evidence of receipt of a submitted treatment plan. Amendments to this measure addressing these concerns are therefore necessary. After additional discussion with the Department of Labor and Industrial Relations, your Committee also notes that amendments to this measure are necessary to clarify available options for the transmission of treatment plans to an employer.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that a physician may transmit a treatment plan by certified mail or facsimile, and requiring a physician to send the treatment plan to an address or facsimile number as directed by an employer;
- (2) Clarifying that beginning January 1, 2021, a physician may transmit a treatment plan by certified mail, in addition to facsimile or electronic means, and requiring a physician to send the treatment plan to an address, facsimile number, or electronic mail address as directed by an employer;
- (3) Deleting language that would have required employers to provide an automatic electronic receipt upon receipt of the submitted treatment plan;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



Your Committee notes that certain concerns raised in testimony before your Committee may warrant further discussion by your Committee on Judiciary and Labor. Your Committee also notes that the Department of Labor and Industrial Relations has indicated a willingness to continue discussions on this amended measure with interested stakeholders.

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

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



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ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

Record of Votes  
 Committee on Commerce, Consumer Protection, and Health  
 CPH

Bill / Resolution No.:*	Committee Referral:	Date:	
HB 2017, HD 1	CPH, JDL	3-22-16	
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____			
The Recommendation is:			
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310	<input type="checkbox"/> Recommit 2313
Members	Aye	Aye (WR)	Nay
BAKER, Rosalyn H. (C)	/		
KIDANI, Michelle N. (VC)	/		
ESPERO, Will	/		
IHARA, Jr., Les		/	
NISHIHARA, Clarence K.			/
RUDERMAN, Russell E.		/	
SLOM, Sam			/
<b>TOTAL</b>	<b>3</b>	<b>2</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted			
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>			
<b>Distribution:</b> Original                  Yellow                  Pink                  Goldenrod		File with Committee Report      Clerk's Office      Drafting Agency      Committee File Copy	

\*Only one measure per Record of Votes