

STAND. COM. REP. NO. **206**

Honolulu, Hawaii

FEB 18 2015

RE: S.B. No. 1174

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 1174
entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide that an independent medical examination and permanent impairment rating examination shall be conducted by a qualified physician selected by the mutual agreement of the parties; and
- (2) Provide a process for appointment in the event that there is no mutual agreement.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, American Chiropractic Association, ILWU Local 142, and two individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu; Hawaii Insurers Council; Mechanical Contractors Workers' Compensation Self-Insurance Group; PVT Land Company Ltd.; S&M Sakamoto, Inc.; JS International, Inc.; LYZ, Inc.; Economy Plumbing and Air Conditioning; Rons Construction Corporation; Property Casualty Insurers Association of America; Robert M. Kaya Builders, Inc.; Dorvin D. Leis Co., Inc.; Jayar Construction, Inc.; Swinerton Builders; JBL HAWAII, LIMITED; Society for Human Resource Management, Hawaii Chapter; Healy Tibbitts Builders, Inc.; Chamber of Commerce Hawaii; and one

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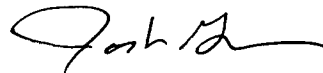
individual. Your Committee received comments on this measure from the Department of Human Resources Development and one individual.

Your Committee finds that the workers' compensation system is often adversarial in nature as both employee and employer choose doctors that are highly partisan to each respective side. Mutual agreement regarding the selection of the independent medical examination or permanent impairment rating examination physician will serve to minimize or even eliminate negative perceptions about the examiner, providing reassurance to the injured worker that the examination will be conducted fairly.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1174, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Health,



JOSH GREEN, Chair



