

STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
830 PUNCHBOWL STREET, ROOM 321  
HONOLULU, HAWAII 96813  
[www.labor.hawaii.gov](http://www.labor.hawaii.gov)  
Phone: (808) 586-8844 / Fax: (808) 586-9099  
Email: [dlir.director@hawaii.gov](mailto:dlir.director@hawaii.gov)

February 21, 2018

To: To: The Honorable Sylvia Luke, Chair,  
The Honorable Ty J.K. Cullen, Vice Chair, and  
Members of the House Committee on Finance

Date: Wednesday, February 21, 2018  
Time: 2:00 p.m.  
Place: Conference Room 308, State Capitol

From: Leonard Hoshijo, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. No. 1778 HD1 RELATING TO WORKERS'**  
**COMPENSATION MEDICAL BENEFITS**

**I. OVERVIEW OF PROPOSED LEGISLATION**

HB1778HD1 is intended to improve access for firefighters to comprehensive medical coverage for specific organs affected by disease that are presumed to arise out of and in the course of employment. The proposal also changes the effective date to January 1, 2050. The bill adds two new sections to chapter 386, Hawaii Revised Statutes (HRS).

The Department supports the intent of this proposal as narrowly, currently drafted and provides comments.

**II. CURRENT LAW**

Section 386-3, HRS, defines injury and provides that the employee's employer shall pay compensation to the employee or the employee's dependents as provided in chapter 386 if an employee suffers personal injury either by accident arising out of and in the course of employment, or by disease proximately caused by or resulting from the nature of the employment.

Section 386-21 (c), HRS, establishes the liability of the employer for medical care,

services and supplies shall not exceed 110% of Medicare. Rates or fees provided for in this section shall be adequate to ensure at all times the standard of service and care intended by this chapter to injured employees. If the Director determines an allowance under the Medicare program is not reasonable or not covered, the Director may establish additional fee schedule(s) not exceeding the prevalent charge for fees for services actually received by providers of health care services, to cover charges for treatment, accommodation, product or service. Currently, a fee schedule named Exhibit A contains those allowable fees as attached to §12-15, Hawaii Administrative rules.

Section 386-73.5, HRS, establishes that the DLIR Director has original jurisdiction over all controversies and disputes arising out of workers' compensation.

Section 386-85, HRS, provides a presumption of employment and compensation for a work-covered work injury, in the absence of substantial evidence to the contrary.

Section 386-86, HRS, establishes an informal hearing process that is not subject to chapter 91.

### **III. COMMENTS ON THE HOUSE BILL**

The Department supports the intent of this proposal to ensure that firefighters receive proper medical treatment in a timely manner, as well as lessen the impact due to the effects of cancer. The Department has general concerns where a class of workers is treated differently.

Harry Kim  
Mayor



Wil Okabe  
Managing Director

Barbara J. Kossow  
Deputy Managing Director

## County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553  
KONA: 74-5044 Ane Keohokālole Hwy., Bldg C • Kailua-Kona, Hawai'i 96740  
(808) 323-4444 • Fax (808) 323-4440

February 20, 2018

Representative Sylvia Luke, Chair  
Committee on Finance  
Hawai'i State Capitol, Room 308  
Honolulu, HI 96813

Representative Ty J.K. Cullen, Vice-Chair  
Committee on Finance  
Hawai'i State Capitol, Room 308  
Honolulu, HI 96813

Dear Chair Luke, Vice-Chair Cullen and Committee Members:

**Re: HB 1778, HD 1 Relating to Worker's Comp for Firefighters**  
**Hearing Date: 02/21/18 – 2:00 pm; House Conference Room 308**

As a Mayor, and as a father of a firefighter, I wish to join my Fire Chief and the State Fire Council in expressing my support for HB 1778, HD 1.

Improving access for firefighters to comprehensive medical benefits upon a diagnosis of cancer is clearly the right thing to do, and I hope that Hawai'i will join other progressive states which have recognized the extraordinary risks faced by these brave men and women on a daily basis.

I urge you to approve HB 1778, HD 1 with as early an effective date as possible.

Respectfully submitted,

Harry Kim  
Mayor, County of Hawai'i



DAVID Y. IGE  
GOVERNOR

DOUGLAS S. CHIN  
LIEUTENANT GOVERNOR



LEONARD HOSHIJO  
DIRECTOR

**STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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[www.labor.hawaii.gov](http://www.labor.hawaii.gov)  
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February 20, 2018

The Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
State Capitol, Room 306  
Honolulu, Hawaii 96813

Dear Chair Luke:

Subject: House Bill (HB) 1778, House Draft (HD) 1 Relating to Workers' Compensation Medical Benefits

I am Manuel P. Neves, Chair of the Hawaii State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD support HB 1778, HD 1, which proposes to provide fire fighters the presumption that cancer developed or manifested out of or in the course of employment.

Over the last decade, the fire profession experienced an increase in fire fighter deaths related to cancer. The University of Cincinnati and the National Institute for Occupational Safety and Health conducted studies as a result of the initial findings. They are the most comprehensive investigations into cancer-related diseases incurred by career fire fighters to date and support the initial findings.

A State of Hawaii (State) cancer taskforce performed an investigative study with assistance from medical insurance companies and found that fire fighters in the State are also experiencing elevated levels of exposure to the effects of cancer-related diseases, which correlate Hawaii's information with the national studies.

If passed, this bill will provide fire fighters and their family with the financial and moral support they need during this crisis.

The Honorable Sylvia Luke, Chair  
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February 20, 2018

The SFC and the HFD urge your committee's passage of HB 1778, HD 1 for the welfare of our fire fighters.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or [lrogers@honolulu.gov](mailto:lrogers@honolulu.gov).

Sincerely,



MANUEL P. NEVES  
Chair

MPN/LR:clc

**Harry Kim**  
Mayor



**Darren J. Rosario**  
Fire Chief

**Renwick J. Victorino**  
Deputy Fire Chief

**County of Hawai'i**  
**HAWAII FIRE DEPARTMENT**  
25 Aupuni Street • Suite 2501 • Hilo, Hawai'i 96720  
(808) 932-2900 • Fax (808) 932-2928

February 20, 2018

The Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
State Capitol, Room 308  
Honolulu, Hawaii 96813

Dear Chair Luke:

**SUBJECT: HB 1778, HD 1, RELATING TO WORKER'S COMPENSATION  
MEDICAL BENEFITS**  
**Hearing Date: Wednesday, February 21, 2018**  
**Time/Place of Hearing: 2:10 pm, Conference Room 308**

I am Darren J. Rosario, Member of the Hawaii State Fire Council (SFC) and Fire Chief of the Hawaii Fire Department of the County of Hawaii (HCFD). The HCFD supports HB 1778, HD1 which proposes to improve access for firefighters to comprehensive medical benefits when a firefighter receives a diagnoses of cancer.

Over half of the States in our country currently have cancer presumptive laws that provide fire fighters with medical and service-connected disability benefits. The risk of cancer is higher among fire fighters than the general population according to several studies. The University of Cincinnati completed a study based on information regarding 110,000 fire fighters. The study concluded that fire fighters face a greater risk of 20 different types of cancer than any other work group. During responses to fire related incidents, fire fighters are exposed to many compounds including benzene, diesel engine exhaust, chloroform, soot, styrene, and formaldehyde. These substances can be inhaled or absorbed through the skin, and the fire fighter's protective equipment does not always prevent exposures. These compounds are deemed as Carcinogens by the International Agency for Research on Cancer. In addition, The HCFD fire fighters are exposed to infectious diseases and biochemical substances with exposure to patient care and bioterrorism events, respectively on a daily basis.

The SFC and the HCFD urge your committees' support on the passage of HB 1778, HD1. Should you have questions, please contact me at 808-932-2901 or [darren.rosario@hawaiicounty.gov](mailto:darren.rosario@hawaiicounty.gov)

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "Darren J. Rosario".

**DARREN J. ROSARIO**  
Fire Chief



## TESTIMONY OF ALISON UEOKA

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COMMITTEE ON FINANCE  
Representative Sylvia Luke, Chair  
Representative Ty Cullen, Vice Chair

Wednesday, February 21, 2018  
2:00 p.m.

### **HB 1778, HD1**

Chair Luke, Vice Chair Cullen, and members of the Committee on Finance, my name is Alison Ueoka, President of the Hawaii Insurers Council. The 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 forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **supports** the first new section proposed in Section 2 of the bill. This new section would codify substantially similar language that presently exists in Hawaii Administrative Rules under the Prepaid Health Care Act in 12-12-45. We believe the insertion of this language into the workersqcompensation law will clarify that a health insurer must pay for medical care, services, and supplies in the event of a controverted claim with the ability to get repaid if it becomes a compensable workersqcompensation claim.

Ultimately, this is good for many in the workersqcompensation system: The person injured, providers, and employers in that it allows access to care for the injured person to receive medical care by having the health care provider paid and allows due process for the employer.

Thank you for the opportunity to testify.



**Bernard P. Carvalho, Jr.**  
Mayor



**Robert F. Westerman**  
Fire Chief

**Wallace G. Rezentes, Jr.**  
Managing Director

**Kilipaki K. F. Vaughan**  
Deputy Fire Chief

**KAUA'I FIRE DEPARTMENT**  
**County of Kaua'i, State of Hawai'i**  
4444 Rice Street, Suite 315, Lihu'e, Hawai'i 96766  
TEL (808) 241-4980 FAX (808) 241-6508

February 20, 2018



The Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
State Capitol, Room 306  
Honolulu, Hawaii 96813

Dear Chair Luke:

Subject: House Bill (HB) 1778, HD 1 Relating to Worker's Compensation Medical Benefits

I am Robert Westerman, Vice Chair of the Hawai'i State Fire Council (SFC) and Fire Chief of the Kauai Fire Department (KFD). The SFC and the KFD support HB 1778, HD 1, which proposes to provide fire fighters the presumption that cancer developed or manifested out of or in the course of employment.

Over the last decade, the fire profession experienced an increase in fire fighter deaths related to cancer. The University of Cincinnati and the National Institute for Occupational Safety and Health conducted studies as a result of the initial findings. They are the most comprehensive investigations into cancer-related diseases incurred by career fire fighters to date and support the initial findings.

A State of Hawaii (State) cancer taskforce performed an investigative study with assistance from medical insurance companies and found that fire fighters in the State are also experiencing elevated levels of exposure to the effects of cancer-related diseases, which correlate Hawaii's information with the national studies.

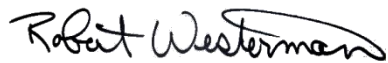
The Honorable Sylvia Luke, Chair  
February 20, 2018  
Page 2

If passed, this bill will provide fire fighters and their family with the financial and moral support they need during this crisis.

The SFC and the KFD urge your committee's passage of HB 1778, HD 1 for the welfare of our fire fighters.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or [lrogers@honolulu.gov](mailto:lrogers@honolulu.gov).

Sincerely,

A handwritten signature in black ink that reads "Robert Westerman". The signature is written in a cursive style with a long, sweeping underline.

Robert Westerman  
Fire Chief, County of Kaua'i

RFW/dag



## HAWAII FIRE FIGHTERS ASSOCIATION

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS LOCAL 1463, AFL-CIO  
1018 PALM DRIVE, HONOLULU, HAWAII 96814-1929  
TELEPHONE (808) 949-1566 FAX: (808) 952-6003  
WEBSITE: [www.hawaiifirefighters.org](http://www.hawaiifirefighters.org)

**HOUSE OF REPRESENTATIVES  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018**

**LATE**

**February 21, 2018**

**Committee on Finance**

**Testimony by**

**Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO**

**H. B. No. 1778 HD1      RELATING TO WORKERS' COMPENSATION MEDICAL  
BENEFITS**

The Hawaii Fire Fighters Association (HFFA), Local 1463, IAFF, AFL-CIO represents more than 1,900 professional active-duty and 800 retired fire fighters throughout the State. On behalf of our members, HFFA **supports H. B. No. 1778 HD 1** which improves the access for fire fighters to gain comprehensive medical benefits upon diagnosis from cancer that is presumed to arise out of and in the course of employment.

Thirty-seven states and nine Canadian provinces already have cancer presumptive laws that provide fire fighters with medical and service-connected disability benefits. Several studies, as recommended by the International Association of Fire Fighters (IAFF), serve as the basis that demonstrates the need for cancer presumptive legislation locally. These studies are consistent with other previous studies assessing the cancer risks in fire fighters associated with occupational exposure. As a stakeholder participating in the Cancer Presumption Task Force that convened in 2016 as a response to H.C.R. No. 32, H.D. 1, S.D. 1, HFFA is grateful that H. B. No. 1778 HD 1 addresses the concerns of the fire service.

HFFA appreciates the Committee's favorable consideration of this measure and ask that you **pass H. B. No. 1778, HD 1.** Thank you for the opportunity to testify.