

HB1778 HD1

Measure Title: RELATING TO WORKERS' COMPENSATION MEDICAL BENEFITS.
Report Title: State Fire Council Package; Cancer; Workers' Compensation Medical Benefits
Description: Improves access for firefighters to comprehensive medical benefits under the Workers' Compensation Law upon diagnosis of cancer that is presumed to arise out of and in the course of employment. Requires private health care plans to pay for or provide medical care, services, and supplies to injured employees for controverted workers' compensation claims that are accepted or determined to be compensable. (HB1778 HD1)
Companion: [SB2181](#)
Package: State Fire Council
Current Referral: LBR/CPH, WAM
Introducer(s): SAIKI (Introduced by request of another party)

<u>Sort by</u> <u>Date</u>	<u>Status</u>	<u>Text</u>
1/16/2018	H	Prefiled.
1/17/2018	H	Introduced and Pass First Reading
1/22/2018	H	Referred to LAB, CPC, FIN, referral sheet 4
1/22/2018	H	Bill scheduled to be heard by LAB on Thursday, 01-25-18 9:00AM in House conference room 309.
1/25/2018	H	The committees on LAB recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 6 Ayes: Representative(s) Johanson, Evans, Ichiyama, Keohokalole, Yamashita, Matsumoto; Ayes with reservations: none; Noes: none; and 1 Excused: Representative(s) Holt.
1/31/2018	H	Reported from LAB (Stand. Com. Rep. No. 21-18) as amended in HD 1, recommending passage on Second Reading and referral to CPC.
1/31/2018	H	Passed Second Reading as amended in HD 1 and referred to the committee(s) on CPC with none voting aye with reservations; none voting no (0) and Representative(s) C. Lee, Ward excused (2).
2/2/2018	H	Bill scheduled to be heard by CPC on Wednesday, 02-07-18 2:00PM in House conference room 329.
2/7/2018	H	The committees on CPC recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 8 Ayes: Representative(s) Takumi, Ichiyama, Ito, Johanson, LoPresti, Mizuno, Tokioka, Yamane; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Aquino, Say, McDermott.
2/13/2018	H	Reported from CPC (Stand. Com. Rep. No. 338-18), recommending referral to FIN.
2/13/2018	H	Report adopted; referred to the committee(s) on FIN with none voting aye with reservations; none voting no (0) and Representative(s) Souki excused (1).
2/16/2018	H	Bill scheduled to be heard by FIN on Wednesday, 02-21-18 2:00PM in House conference room 308.
2/21/2018	H	The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 13 Ayes: Representative(s) Luke, Cullen, Cachola, DeCoite, Fukumoto, Gates, Holt, Kobayashi, Lowen, Nakamura, Todd, Yamashita, Ward; Ayes with reservations: none; Noes: none; and 2 Excused: Representative(s) Keohokalole, Tupola.
3/1/2018	H	Reported from FIN (Stand. Com. Rep. No. 828-18), recommending passage on Third Reading.
3/1/2018	H	Passed Third Reading with none voting aye with reservations; none voting no (0) and Representative(s) McKelvey, Yamane excused (2). Transmitted to Senate.
3/2/2018	S	Received from House (Hse. Com. No. 52).
3/2/2018	S	Passed First Reading.
3/6/2018	S	Referred to LBR/CPH, WAM.
3/14/2018	S	The committee(s) on LBR/CPH has scheduled a public hearing on 03-21-18 9:00AM in conference room 229.



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

830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813

www.labor.hawaii.gov

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March 21, 2018

To: To: The Honorable Jill N. Tokuda, Chair,
The Honorable J. Kalani English, Vice Chair, and
Members of the Senate Committee on Labor

The Honorable Rosalyn H. Baker, Chair,
The Honorable Jill N. Tokuda, Vice Chair, and
Members of the Senate Committee on Commerce, Consumer Protection &
Health

Date: Wednesday, March 21, 2018
Time: 9:00 a.m.
Place: Conference Room 229, 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 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.

DAVID Y. IGE
GOVERNOR



RYKER WADA
INTERIM DIRECTOR

JASON MINAMI
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 20, 2018

TESTIMONY TO THE
SENATE COMMITTEE ON LABOR
AND
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

For Hearing on Wednesday March 21, 2018
9:00 a.m., Conference Room 229

BY

RYKER WADA
INTERIM DIRECTOR

House Bill No. 1778 H.D. 1
Relating to Workers' Compensation Medical Benefits

WRITTEN TESTIMONY ONLY

TO CHAIRPERSONS TOKUDA AND BAKER, VICE CHAIRS ENGLISH AND TOKUDA,
AND MEMBERS OF THE COMMITTEE:

Thank you for the opportunity to provide **comments** on H.B. 1778 H.D. 1.

The stated purpose of H.B. 1778 H.D. 1 is to improve firefighters' access to comprehensive medical coverage while addressing medical coverage for specific organs affected by diseases arising out of and in the course of their employment.

The Department of Human Resources Development ("DHRD") has a fiduciary duty to administer the State's self-insured workers' compensation program and its expenditure of public funds.

The first part of this bill which adds a section relating to payment of medical bills is currently addressed in Hawaii Administrative Rules ("HAR") Section 12-12-45, Controverted Workers' Compensation Claims, which provides the following:

In the event of a controverted workers' compensation claim, the health care contractor shall pay or provide for the medical services in accordance with the health care contract and notify the department of such action. If workers' compensation liability is established, the health care contractor shall be reimbursed by the workers' compensation carrier such amounts authorized by chapter 386, HRS, and chapter 10 of title 12, administrative rules.

Health care plans already are required to, and do, pay for medical care, services, and supplies when a claim is controverted in accordance with their private health care contract. The Department of Labor presently has the authority to require and enforce the above administrative rule to insure that injured workers, including injured firefighters, whose claims or request for medical treatment are controverted. Thus, the addition of the proposed new statutory language may be unnecessary.

The second part of this bill appears to increase the potential cost of certain claims filed by firefighters by setting the employer's liability for "...medical care, services, and supplies for a minimum of one hundred ten per cent, and not to exceed ___ per cent of fees prescribed in the Medicare Resource Based Relative Value Scale applicable to Hawaii as prepared by the United States Department of Health and Human Services. Hawaii Revised Statutes Section 386-21 presently caps billing of medical services at a rate **not to exceed one hundred ten percent** of fees prescribed in the Medicare Resource Based Relative Value Scale applicable to Hawaii as prepared by the United States Department of Health and Human Services. This bill would fundamentally alter the potential amounts of fees paid for medical care, services, and supplies for certain claims by firefighters to an unspecified maximum amount, which would likely necessitate an increase in the appropriation of funds needed to pay workers' compensation claims as required under Chapter 86, Haw. Rev. Stat

DHRD is concerned that the creation of a separate fee schedule for firefighters who suffer from certain cancers and diseases arising out of their employment would result in unequal treatment of injured workers who are not firefighters, as other injured workers and their treating physicians would receive the same medical services for the same cancers and diseases but could be paid at a lower fee. This may provide a disincentive for health care providers to treat non-firefighters for claims involving these

same cancers and diseases.

Thank you for the opportunity to testify on this bill.

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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March 14, 2018

The Honorable Jill Tokuda, Chair
Committee on Labor
The Senate
State Capitol, Room 202
Honolulu, Hawaii 96813

The Honorable Rosalyn Baker, Chair
Committee on Commerce, Consumer Protection, and Health
The Senate
State Capitol, Room 230
Honolulu, Hawaii 96813

Dear Chairs Tokuda and Baker:

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

The Honorable Jill Tokuda and Rosalyn Baker, Chairs
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March 14, 2018

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 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.

Sincerely,



MANUEL P. NEVES
Chair

MPN/LR:clc

Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i
Office of the Mayor

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March 14, 2018

Senator Jill N. Tokuda, Chair
Committee on Labor
Hawai'i State Capitol, Room 229
Honolulu, HI 96813

Senator Rosalyn H. Baker, Chair
Committee on Commerce, Consumer Protection and Health
Hawai'i State Capitol, Room 229
Honolulu, HI 96813

Dear Chair Tokuda and Baker, and Committee Members:

Re: HB 1778, HD 1 Relating to Worker's Comp for Firefighters
Hearing Date: 03-21-18 – 9:00 am; Conference Room 229

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

ALAN M ARAKAWA
MAYOR



JEFFREY MURRAY
FIRE CHIEF

LIONEL MONTALVO
DEPUTY FIRE CHIEF

COUNTY OF MAUI
DEPARTMENT OF FIRE & PUBLIC SAFETY

200 DAIRY ROAD
KAHULUI, HI 96732
(808) 270-7561
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March 14, 2018

The Honorable Jill Tokuda, Chair
Committee on Labor
The Senate
State Capitol, Room 202
Honolulu, Hawaii 96813

The Honorable Rosalyn Baker, Chair
Committee on Commerce, Consumer Protection, and Health
The Senate
State Capitol, Room 230
Honolulu, Hawaii 96813

Dear Chairs Tokuda and Baker:

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

I am Jeffrey A. Murray, Member of the Hawaii State Fire Council (SFC) and Fire Chief of the Maui County, Department of Fire and Public Safety (MFD). The SFC and the MFD 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 Jill Tokuda and Rosalyn Baker, Chairs
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The SFC and the MFD 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.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Murray". The signature is fluid and cursive, with a prominent loop at the end.

JEFFREY A. MURRAY
Fire Chief

Harry Kim
Mayor



Darren J. Rosario
Fire Chief

Renwick J. Victorino
Deputy Fire Chief

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

March 14, 2018

The Honorable Jill Tokuda, Chair
Committee on Labor
The Senate
State Capitol, Room 202
Honolulu, Hawaii 96813

The Honorable Rosalyn Baker, Chair
Committee on Commerce, Consumer Protection, and Health
The Senate
State Capitol, Room 230
Honolulu, Hawai'i 96813

Dear Chairs Tokuda and Baker:

**SUBJECT: HB 1778, HD 1, RELATING TO WORKER'S COMPENSATION
MEDICAL BENEFITS**
Hearing Date: Wednesday, March 21, 2018
Time/Place of Hearing: 9:00 a.m., Conference Room 229

I am Darren J. Rosario, Member of the Hawai'i State Fire Council (SFC) and Fire Chief of the Hawai'i Fire Department of the County of Hawai'i (HCFD). The HCFD supports HB 1778, HD1 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 Hawai'i (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 Hawai'i's information with the national studies.



The Honorable Jill Tokuda and Rosalyn Baker, Chairs
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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.

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 HCFD urge your committees' support on the passage of HB 1778, HD1. Please do not hesitate to contact me at 932-2901 or darren.rosario@hawaiicounty.gov should you have any questions.

Respectfully,



DARREN J. ROSARIO
Fire Chief



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.hawaii firefighters.org

**THE SENATE
THE TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2018**

March 21, 2018

**Committee on Labor
Committee on Commerce, Consumer Protection and Health**

**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.

HB-1778-HD-1

Submitted on: 3/20/2018 6:42:08 AM

Testimony for LBR on 3/21/2018 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments: