

**SB 2660**

**SD-**

**RELATING TO  
MEDICAL  
COVERAGE**

JAN 19 2018

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# A BILL FOR AN ACT

RELATING TO MEDICAL COVERAGE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that firefighters can be  
2 exposed to contaminants from fires that are known or suspected  
3 to cause cancer. Firefighters are exposed to multiple  
4 carcinogens and toxicants through incident exposure as  
5 residential and vehicle fires release highly concentrated  
6 toxicants from plastics and synthetics. In October 2013,  
7 researchers from the National Institute for Occupational Safety  
8 and Health published a study that found that firefighters have a  
9 higher risk than the general population of being diagnosed with  
10 cancer. The study looked at cancers and cancer deaths among  
11 30,000 firefighters from Chicago, Philadelphia, and San  
12 Francisco fire departments and found that cancers of the  
13 respiratory, digestive, and urinary systems accounted for most  
14 of the higher rates of cancer in the study population,  
15 suggesting that firefighters are more likely to develop these  
16 types of cancers. Additionally, a study in 2005 showed that  
17 firefighters have significantly higher risks than the general



1 population of getting testicular cancer, multiple myeloma, non-  
2 Hodgkin's lymphoma, skin cancer, brain and malignant melanoma,  
3 rectal cancer, prostate cancer, buccal cavity and pharynx  
4 cancer, stomach cancer, colon cancer, and leukemia. The Hawaii  
5 Medical Service Association conducted a review of their members  
6 who were Hawaii firefighters in collective bargaining unit (11)  
7 over a defined period of time to estimate the incidence of  
8 cancer among certain Hawaii Fire Fighters Association members  
9 compared to a comparable population of Hawaii Medical Service  
10 Association members. Although the study was limited to two  
11 thousand male firefighters, the data showed that cancer rates  
12 among members of the Hawaii Fire Fighters Association were much  
13 higher than the general population for leukemia, buccal and  
14 pharynx cancer, colon cancer, prostate cancer, and brain and  
15 malignant melanoma.

16 The legislature further finds that H.C.R. No. 32, H.D. 1,  
17 S.D. 1, regular session of 2016, requested the convening of a  
18 task force to examine cancer in the firefighting profession.  
19 The task force discussed, among other things, recommendations  
20 for revisions to state workers' compensation laws that expedite  
21 the delivery of workers' compensation medical and other benefits



1 for firefighters diagnosed with cancer, the percentages of  
2 cancer diagnoses in Hawaii for the general population compared  
3 to firefighters, and estimated costs to the State and counties  
4 if there were to be an acceleration of workers' compensation  
5 benefits for firefighters diagnosed with cancer. These  
6 discussions led to the discovery that others states, such as  
7 Arizona, California, Nevada, North Dakota, and Virginia, have  
8 legislation that specifically mentions coverage of occupational  
9 diseases for firefighters due to the higher risks of contaminant  
10 exposure for firefighters.

11 The legislature notes that providing sufficient medical  
12 coverage for firefighters recognizes the inherent occupational  
13 hazards that come with the job, ensures that firefighters  
14 receive proper medical treatment in a timely manner, and lessens  
15 the impact of emotional toil, financial burdens, and decreased  
16 quality of life on the families of firefighters diagnosed with  
17 cancer.

18 The purpose of this Act is to:

19 (1) In the event of a controverted workers' compensation  
20 claim, require an injured employee's private health  
21 care plan to pay for or provide medical care,



1 services, and supplies; provided that when the claim  
2 is accepted, the employer shall reimburse the private  
3 health care plan and injured employee; and

4 (2) In the event of an accepted workers' compensation  
5 claim for leukemia, multiple myeloma, non-Hodgkin's  
6 lymphoma, or certain cancers by a firefighter with  
7 five or more years of service, require an employer to  
8 be liable for one hundred thirty-seven per cent of  
9 medical care, services, and supplies.

10 SECTION 2. Chapter 386, Hawaii Revised Statutes, is  
11 amended by adding two new sections to part II to be  
12 appropriately designated and to read as follows:

13 "§386- Medical care, services, and supplies for  
14 controverted claims. In the event of a controverted claim, the  
15 injured employee's private health care plan shall pay for or  
16 provide medical care, services, and supplies in accordance with  
17 the private health care contract. When the claim is accepted or  
18 determined to be compensable, the employer shall reimburse the  
19 private health care plan and the injured employee in such  
20 amounts as authorized by this chapter and rules adopted by the  
21 department.



1           §386-    Medical care, services, and supplies for  
2 firefighters suffering from cancer.   If a claim for leukemia,  
3 multiple myeloma, non-Hodgkin's lymphoma, or cancer of the lung,  
4 brain, stomach, esophagus, intestines, rectum, kidney, bladder,  
5 prostate, or testes filed by a firefighter with five or more  
6 years of service as a firefighter is accepted or determined to  
7 be compensable, section 386-21 remains applicable; provided that  
8 the employer shall be liable for medical care, services, and  
9 supplies not to exceed one hundred thirty-seven per cent of fees  
10 prescribed in the Medicare Resource Based Relative Value Scale  
11 applicable to Hawaii as prepared by the United States Department  
12 of Health and Human Services."

13           SECTION 3.   New statutory material is underscored.

14           SECTION 4.   This Act shall take effect on July 1, 2018.

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INTRODUCED BY: Ronny H. Baker

[Signature]

[Signature]  
Clarence A. Smith

Anna M. Mendenhall

[Signature]  
Mike Gebhard

[Signature]  
Breanne H. Smith



# S.B. NO. 2660

**Report Title:**

Workers' Compensation; Firefighters; Cancer; Medical Care, Services, and Supplies

**Description:**

In the event of a controverted workers' compensation claim, requires an injured employee's private health care plan to pay for or provide medical care, services, and supplies; provided that when the claim is accepted, the employer shall reimburse the private health care plan and injured employee. In the event of an accepted claim for leukemia, multiple myeloma, non-Hodgkin's lymphoma, or certain cancers by a firefighter with five or more years of service, requires an employer to be liable for 137 per cent of medical care, services, and supplies.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

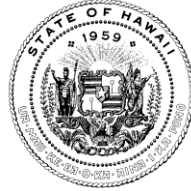


**SB 2660**

**SD-**

**TESTIMONY**





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)

March 15, 2018

To: The Honorable Aaron Ling Johanson, Chair,  
The Honorable Daniel Holt, Vice Chair, and  
Members of the House Committee on Labor & Public Employment

Date: Thursday, March 15, 2018  
Time: 9:00 a.m.  
Place: Conference Room 309, State Capitol

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

**Re: S.B. No. 2660 RELATING TO MEDICAL COVERAGE**

**I. OVERVIEW OF PROPOSED LEGISLATION**

This proposal 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. It also proposes to increase the fees for medical care, services and supplies for treatment provided to firefighters for these specific diseases, to not exceed 137% of fees in the Medicare Fee Schedule applicable to Hawaii. The bill adds two new sections to Chapter 386, Hawaii Revised Statutes (HRS).

DLIR 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.

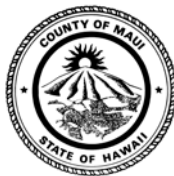
Section 386-86, HRS, establishes an informal hearing process that is not subject to chapter 91.

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

DLIR 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. DLIR has general concerns where a class of workers is treated differently.

DLIR notes that 137% is the average cost of medical codes on Exhibit A of the Workers' Compensation Medical Fee Schedule rules (§12-15).

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  
Fax (808) 270-7919

March 14, 2018

The Honorable Aaron Ling Johanson, Chair  
Committee on Labor and Public Employment  
House of Representatives  
State Capitol, Room 426  
Honolulu, Hawaii 96813

Dear Chair Johanson:

**Subject: Senate Bill (SB) 2660 Relating to Medical Coverage**

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 SB 2660, 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 the fire fighters and their family with the financial and moral support they need during this crisis.

The SFC and the MFD urge your committee's passage of SB 2660 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, appearing to read "Jeffrey A. Murray".

JEFFREY A. MURRAY  
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.hawaiifirefighters.org](http://www.hawaiifirefighters.org)

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

**March 15, 2018**

**Committee on Labor and Public Employment**

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

**S.B. No. 2660 RELATING TO MEDICAL COVERAGE**

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 S.B. No. 2660** which improves access to comprehensive medical benefits (including care, services and supplies) for fire fighters who are diagnosed with cancer presumed to arise out of and in the course of five or more years of services/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 S. B. No. 2660 addresses the concerns of the fire service.

HFFA appreciates the Committee's favorable consideration of this measure and ask that you **pass S.B. No. 2660**. Thank you for the opportunity to testify.

## TESTIMONY OF LINDA O'REILLY

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COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair

Thursday, March 15, 2018  
9:00 a.m.

### **SB 2660**

Chair Johanson, Vice Chair Holt, and members of the Committee on Labor & Public Employment, my name is Linda O'Reilly, Assistant Vice President of Claims - Workers Compensation of First Insurance Company of Hawaii. I am testifying today on behalf of Hawaii Insurers Council. 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 workers compensation 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 workers compensation claim.

Ultimately, this is good for many in the workers compensation 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.

DAVID Y. IGE  
GOVERNOR

DOUGLAS S. CHIN  
LIEUTENANT GOVERNOR



LEONARD HOSHIO  
DIRECTOR

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March 13, 2018

The Honorable Aaron Ling Johanson, Chair  
Committee on Labor and Public Employment  
House of Representatives  
State Capitol, Room 426  
Honolulu, Hawaii 96813

Dear Chair Johanson:

Subject: Senate Bill (SB) 2660 Relating to Medical Coverage

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 SB 2660, 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 Aaron Johanson, Chair  
Page 2  
March 13, 2018

The SFC and the HFD urge your committee's passage of SB 2660 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

**SB-2660**

Submitted on: 3/14/2018 1:51:53 AM

Testimony for LAB on 3/15/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:



**SB 2660**

**SD-**

**LATE**

**TESTIMONY**