
A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION LAW.

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

1 SECTION 1. Section 386-21.1, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "~~§~~386-21.1~~§~~ **Medical care, services, and supplies for**
4 **controverted claims.** (a) In the event of a controverted claim,
5 the injured employee's private health care plan shall by default
6 pay for or provide medical care, services, and supplies in
7 accordance with the private health care contract~~[-When]~~
8 pending the acceptance of the claim or determination of
9 compensability. If the claim is accepted or determined to be
10 compensable, the private health care plan may seek reimbursement
11 from the employer who shall reimburse the private health care
12 plan and the injured employee for any reasonable and necessary
13 medical expenses related to the covered injury in amounts as
14 authorized by this chapter and rules adopted by the director~~[-];~~
15 provided that the injured employee shall be reimbursed directly
16 for any copayments related to the covered injury; provided
17 further that the private health care plan may also charge the



1 employer an administration fee equal to three per cent of the
2 total amount paid by the private health care plan, to be paid to
3 the private health care plan, if the investigation is not
4 completed within ninety days. For the purposes of this
5 subsection, a claim that is not accepted shall be deemed denied,
6 regardless of any modifiers placed on the denial, such as denied
7 pending investigation.

8 (b) Any private health care plan violating this section
9 shall be fined \$10,000 or triple the amount of medical costs
10 incurred by the injured employee during the time the claim is
11 under investigation, whichever is greater."

12 SECTION 2. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 3000.



Report Title:

Workers' Compensation; Controverted Claims; Penalty

Description:

Clarifies that with controverted claims, an injured employee's private health care plan must by default pay or provide medical care, services, and supplies pending acceptance of the claim or determination of compensability and may seek reimbursement from the employer if accepted or compensable. Establishes a penalty. Effective 7/1/3000. (HD1)

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