



**JOSH GREEN, M. D.**  
GOVERNOR  
KE KIA'ĀINA

**SYLVIA LUKE**  
LT. GOVERNOR  
KA HOPE KIA'ĀINA

**BRENN H. HASHIMOTO**  
DIRECTOR  
KA LUNA HO'OKELE

**BRIAN K. FURUTO**  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
**KA 'OIHANA HO'OMŌHALA LIMAHANA**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

Statement of  
**BRENN H. HASHIMOTO**  
Director, Department of Human Resources Development

Before the  
**SENATE COMMITTEE ON LABOR AND TECHNOLOGY**  
Monday, March 10, 2025  
3:00 PM  
State Capitol, Conference Room 224

In consideration of  
**HB480 HD1, RELATING TO WORKERS' COMPENSATION**

Chair Aquino, Vice Chair Lee, and the members of the committee.

The Department of Human Resources Development (HRD) is in **support** of HB480, HD1.

The bill proposes to:

1. Authorize an attending physician to request a functional capacity exam and refer an injured employee for the exam without first obtaining permission from the employee's employer.
2. Allow licensed occupational and physical therapists to be deemed qualified to perform functional capacity exams.

Under Hawai'i Revised Statutes (HRS) §26-5, HRD administers the State's self-insured and centralized workers' compensation program and return to work program. The utilization of functional capacity exams is necessary in assessing an injured worker's ability to return to work, as they provide valuable medical information to objectively determine an employee's physical abilities. The proposed bill ensures exams will be conducted in a timely manner and at the appropriate stage in the workers' compensation process.

Thank you for the opportunity to provide testimony.

## TESTIMONY OF MILIA LEONG

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COMMITTEE ON LABOR AND TECHNOLOGY  
Senator Henry J.C. Aquino, Chair  
Senator Chris Lee, Vice Chair

Monday, March 10, 2025  
3:00 p.m.

### **HB 480, HD1**

Chair Aquino, Vice Chair Lee, and members of the Committee on Labor and Technology, my name is Milia Leong, Executive Claims Administrator for HEMIC Insurance Managers, Inc., and Workers' Compensation Policy Committee Chair for 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** this bill. We believe that the provisions outlined in this bill will streamline the workers' compensation process and move the claim forward without unnecessary delays.

Thank you for the opportunity to testify.

**LATE**



**Hawaii Medical Association**

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814  
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

**SENATE COMMITTEE ON LABOR AND TECHNOLOGY**

Senator Henry J.C. Aquino, Chair

Senator Chris Lee, Vice Chair

Date: March 10, 2025

From: Hawaii Medical Association (HMA)

Jerald Garcia MD - Chair, HMA Public Policy Committee

**RE HB 480 HD 1 RELATING TO WORKERS' COMPENSATION-** Workers' Compensation;  
Functional Capacity Exam; Occupational Therapy; Physical Therapy

**Position: Support**

This measure would authorize an attending physician to request a functional capacity exam (FCE) and refer an injured employee for the exam without first obtaining permission from the employee's employer and allow licensed occupational and physical therapists to be deemed qualified to perform functional capacity exams.

The FCE is a set of tests that are used to identify the patient's physical skills, functional capabilities, activity endurance, and work tolerances, typically administered by a trained and licensed provider such as an occupational therapist or physical therapist. Employers understand well the importance of prompt evaluation as the FCE informs the clinical care team of possible diagnoses/ treatments and recovery. Additionally, the FCE will provide an objective assessment that assists with future job modifications and the safe gradual transition back to work, decreasing risks for reinjury or long-term disability.

Elimination of employer permission for FCE when requested by a physician is a reasonable step in decreasing unnecessary and harmful delays for patients and the future planning of their safe return to work. HMA supports this measure that will allow prompt and safe FCE evaluation of Hawaii patients by a trained and licensed provider with work related illness or injury.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

**2025 Hawaii Medical Association Officers**

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President  
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

**2025 Hawaii Medical Association Public Policy Coordination Team**

Jerald Garcia, MD, Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

## REFERENCES AND QUICK LINKS

State of Hawaii. [Disability Compensation Division](#). About Workers' Compensation (WC). Accessed February 4 2025.

Yorton S. Lawmaker Posts Rare Win For Injured Workers — And Pushes For More. [Honolulu Civil Beat](#). [July 31 2024](#). Accessed February 4 2025.

Matayoshi CC. How to get worker's comp for work-related injury, illness. KHON.com. Apr 8 2024. Accessed February 4 2025.

U.S. Department of Interior. Office of the Secretary. Return to work (limited light duty, alternative work assignments and modified permanent job offers) handbook. April 18 2023. Accessed February 4 2025.

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STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA

March 10, 2025

To: The Honorable Henry J.C. Aquino, Chair,  
The Honorable Chris Lee, Vice Chair, and Members of the  
Senate Committee on Labor and Technology

Date: Monday, March 10, 2025

Time: 3:00 p.m.

Place: Conference Room 224, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. 480 HD1 RELATING TO WORKERS' COMPENSATION**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The **DLIR supports** this measure that adds a new section to Chapter 386, Hawaii Revised Statutes (HRS), which authorizes an attending physician to request or refer an employee to a functional capacity exam (FCE) when an injured employee has reached medical stabilization and is permanently unable to return to their usual and customary work without prior authorization. This measure also proposes to amend §386-27(a) by allowing licensed occupational and physical therapists to be deemed qualified to perform functional capacity exams.

**II. CURRENT LAW**

§386-21 Medical care, services, and supplies subsection (a) states that immediately after a work injury is sustained by an employee and for so long as reasonably needed, the employer shall furnish to the employee all medical care, services, and supplies as the nature of the injury requires.

§386-27 Qualification and duties of health care providers subsection (a) prescribes the qualification for providing health care services to workers' compensation claimants as licensed under HRS Chapters.

**III. COMMENTS ON THE HOUSE BILL**

The DLIR supports this measure which encourages timely and accurate assessments of an injured worker's physical abilities. FCEs utilize a series of tests to assess an individual's level of ability to perform work-related tasks. The results can determine an employee's ability to return to work with or without accommodations and may also provide the employer with guidance on job duties to avoid while the employee recovers to full duty. These guidelines may prevent re-

injury and ultimately accelerate the injured worker's return to full-duty work.