

ACT 220

H.B. NO. 3017

A Bill for an Act Relating to No-Fault Insurance.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 431:10C-308.6, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

“(d) A provider may request prior approval from the insurer for treatment exceeding the workers’ compensation schedules or treatment guidelines. The request shall include a treatment plan with a time schedule of measurable objectives and an estimate of the total cost of services. The insurer shall respond to such a request within five working days of mailing of the request, giving authorization or stating in writing the reasons for refusal to the provider and the insured. Any such refusal shall be filed concurrently for submission to the peer review organization. Failure by the insurer to respond within five working days shall constitute approval of the treatment. If the request for submission to the peer review organization is timely received, the injured claimant shall be entitled to continued health care services requested up to the date of the peer review organization decision.”

SECTION 2. Section 431:10C-308.6, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

“(j) If a peer review organization determines that a provider has provided treatment or rehabilitative services that are not appropriate or reasonable or that future provision of such treatment or rehabilitative services will not be appropriate or reasonable, or both, the provider shall not collect payment for the inappropriate or unreasonable treatment or rehabilitative services from either the insurer or the insured[.], and if the provider has collected payment for the inappropriate or unreasonable treatment or rehabilitative services, the provider shall refund to the insurer or insured all amounts paid for the inappropriate or unreasonable treatment or rehabilitative services; provided that such repayment shall be enforced by a mechanics lien. The peer review organization shall report all such decisions to the regulated industries complaints office of the department of commerce and consumer affairs. In no case shall the failure of a provider to return any payment made by the insurer for treatment or services determined to be inappropriate or unreasonable obligate the insured to reimburse the insurer for the payment.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 22, 1994.)