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STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
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Statement of
BRENN A H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, April 2, 2025
10:00 AM
State Capitol, Conference Room 211

In consideration of
HB480 HD1 SD1, RELATING TO WORKERS' COMPENSATION

Chair Keohokalole, Chair Dela Cruz, and members of the Committee on Commerce and Consumer Protection and Committee on Ways and Means:

The Department of Human Resources Development (HRD) is in **support** of HB480 HD1 SD1.

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 Hawaii's 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

COMMITTEE ON WAYS AND MEANS
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair

Wednesday, April 2, 2025
10:00 a.m.

HB 480, HD1, SD1

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee on Ways and Means, and Chair Keohokalole, Vice Chair Fukunaga, and members of the Committee on Commerce and Consumer Protection, 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.



Hawaii Medical Association

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SENATE COMMITTEE ON WAYS AND MEANS

Senator Donovan M Dela Cruz, Chair
Senator Sharon Y Moriwaki, Vice Chair

SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair

Date: April 2, 2025

From: Hawaii Medical Association (HMA)

Jerald Garcia MD - Chair, HMA Public Policy Committee

RE HB 480 HD 1 SD1 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.

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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

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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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