

JAN 25 2006

A BILL FOR AN ACT

RELATING TO MEDICAL FEE SCHEDULES FOR WORKERS' COMPENSATION
CASES.

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

1 SECTION 1. Section 386-21, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:
3 "(c) The liability of the employer for medical care,
4 services, and supplies shall be limited to the charges computed
5 as set forth in this section. The director shall make
6 determinations of the charges and adopt fee schedules based upon
7 those determinations. Effective January 1, 1997, and for each
8 succeeding calendar year thereafter, the charges shall not
9 exceed one hundred ten per cent of fees prescribed in the
10 Medicare Resource Based Relative Value Scale system applicable
11 to Hawaii, as prepared by the United States Department of Health
12 and Human Services[7]; provided that the fees for medical
13 services provided by neurosurgeons and orthopedic surgeons shall
14 not exceed per cent of fees prescribed in the Medicare
15 Resource Based Relative Value Scale system applicable to Hawaii,
16 as prepared by the United States Department of Health and Human
17 Services, and except as provided in this subsection. The rates



1 or fees provided for in this section shall be adequate to ensure
2 at all times the standard of services and care intended by this
3 chapter to injured employees.

4 If the director determines that an allowance under the
5 medicare program is not reasonable, or if a medical treatment,
6 accommodation, product, or service existing as of June 29, 1995,
7 is not covered under the medicare program, the director [~~may~~],
8 at any time, may establish an additional fee schedule or
9 schedules not exceeding the prevalent charge for fees for
10 services actually received by providers of health care services
11 to cover charges for that treatment, accommodation, product, or
12 service. If no prevalent charge for a fee for service has been
13 established for a given service or procedure, the director shall
14 adopt a reasonable rate that shall be the same for all providers
15 of health care services to be paid for that service or
16 procedure.

17 The director shall update the schedules required by this
18 section every three years or annually, as required. The updates
19 shall be based upon:

20 (1) Future charges or additions prescribed in the Medicare
21 Resource Based Relative Value Scale system applicable



1 to Hawaii as prepared by the United States Department
2 of Health and Human Services; or
3 (2) A statistically valid survey by the director of
4 prevalent charges for fees for services actually
5 received by providers of health care services or based
6 upon the information provided to the director by the
7 appropriate state agency having access to prevalent
8 charges for medical fee information.

9 When a dispute exists between an insurer or self-insured
10 employer and a medical service provider regarding the amount of
11 a fee for medical services, the director may resolve the dispute
12 in a summary manner as the director may prescribe; provided that
13 a provider shall not charge more than the provider's private
14 patient charge for the service rendered."

15 SECTION 2. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act shall take effect upon its approval.

18
INTRODUCED BY: Will Espero

Report Title:

Workers' Compensation

Description:

Changes the reimbursement rate for medical services provided by neurosurgeons and orthopedic surgeons under the State's workers' compensation law to an unspecified percentage of the Medicare Resource Based Value Scale system rates.

