Honolulu, Hawaii

Fe410 , 2006

RE: H.B. No. 2695

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2695 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYERS' MUTUAL INSURANCE COMPANY,"

begs leave to report as follows:

The purpose of this bill is to improve the workers' compensation system by requiring the Hawaii Employers' Mutual Insurance Company (HEMIC) to provide a workers' compensation plan that uses a coordinated system of care model to provide medical and rehabilitation services to injured employees.

ILWU Local 142 testified in support of this bill. HEMIC supported the intent of this measure. The Hawaii Chapter, American Physical Therapy Association opposed this bill. The Department of Labor and Industrial Relations offered comments.

A coordinated system of care adopts a cooperative approach in the provision of medical and rehabilitative benefits through a workers' compensation insurance plan agreed upon by management and labor. This type of approach often provides timely and comprehensive high-quality health care, open and direct communications between labor and management, return-to-work programs and vocational rehabilitation services, and an internal dispute resolution mechanism. Your Committee finds that this type of system has been used successfully in the past by Oahu Transit Services and may have a positive impact on Hawaii's workers' compensation system.

HB2695 HSCR LAB HMS 2006-1712

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2695 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

KIRK CALDWELL, Chair

State of Hawaii House of Representatives The Twenty-third Legislature

HSCR 233-06

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2695	Date: 2	-7-06		
Committee Referral: LAB, CPC, FIN	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	□ Pa	ss, with amendment	S	
☐ Hold	☐ Recommit			
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. CALDWELL, Kirk (C)	پ			
2. NAKASONE, Bob (VC)			<u> </u>	
3. CHONG, Pono				
4. ITO, Ken	1			
5. OSHIRO, Marcus R.				
6. SHIMABUKURO, Maile S. L.	1			
7. SOUKI, Joseph M.	1			
8. MEYER, Colleen Rose	V,			· · · · · · · · · · · · · · · · · · ·
9. STEVENS, Anne V.	/			
		-		
TOTAL	9			
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				