STAND. COM. REP. NO. 228

Honolulu, Hawaii

FOB 17

, 2006

RE:

S.B. No. 3031

S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Labor, to which was referred S.B. No. 3031 entitled:

"A BILL FOR AN ACT RELATING TO UNINTERRUPTED MEDICAL TREATMENT FOR WORK-RELATED INJURIES,"

begs leave to report as follows:

The purpose of this measure is to ensure that, in the event of a dispute between an injured employee and the employer or the employer's insurer, the injured employee continues to receive medical treatment under the last approved treatment plan until the director of labor and industrial relations renders a decision on whether the provision of medical treatment should be continued.

Testimony in support of this measure was submitted by the Hawaii State AFL-CIO; the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; the ILWU Local 142; the IBEW Local 1186; the IBEW Local 1260; the IBEW Local 1357; the Hawaii State Chiropractic Association; the Hawaii Chapter, American Physical Therapy Association; the Hawaii State Teachers Association; and eight individuals.

Testimony in opposition to this measure was submitted by the Department of Human Resources Development, the Hawaii Insurers Council, the Hawaii Independent Insurance Agents Association, and the Society for Human Resource Management - Hawaii Chapter. Comments on this measure were also submitted by the Department of Labor and Industrial Relations (DLIR) and the Hawaii Employers' Mutual Insurance Company, Inc.

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Your Committee finds that, under the current law, the medical services of an injured employee can be prematurely and improperly terminated when the employer denies a treatment plan. In these situations, if the injured employee disputes the termination of medical services, the matter must be resolved through a hearing and determination made by the director of DLIR within sixty days after the date of the hearing. Although DLIR makes efforts to expedite the process, the cessation of medical treatment during the interim can be severely detrimental to the injured employee's health and recovery. In many cases, the cessation of medical treatment can result in the deterioration of an injured employee's condition, thereby extending the duration of the need for medical services and the injured employee's absence from work.

Your Committee further finds that the workers' compensation system balances the interests of employers and employees by guaranteeing that workers injured on the job receive medical treatment and replacement of lost wages, while employees relinquish their right to sue under most circumstances. Therefore, the continued provision of medical treatment should not be capriciously terminated. Your Committee believes that when balancing all of the interests involved, an injured employee merits protection through the provision of uninterrupted medical services until the director of DLIR makes a formal determination that the services are no longer warranted.

Accordingly, your Committee has amended this measure by making technical, nonsubstantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3031, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3031, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Labor,

BRIAN KANNO, Chair

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Labor (Bills and Resolutions)

Measure:* 58 3031	Committee Referral: Date: 2-10-06				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is to:					
Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)					
Members		Ayes	Ayes(WR)	Nays	Excused
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IHARA, Jr., Les (VC) TANIGUCHI, Brian T.		·			1/
SLOM, Sam	· ' 1/11/11/11			V	
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TOTAL		1	/	1	/
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Do <u>not</u> list more than one measure per Record of Votes.