## A BILL FOR AN ACT

RELATING TO WORKERS COMPENSATION.

#### 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, $[\frac{1997}{7}]$ 2009, and |  |  |
| 8  | for each succeeding calendar year thereafter, the charges shall         |  |  |
| 9  | not exceed [one hundred ten] per cent of fees                           |  |  |
| 10 | prescribed in the Medicare Resource Based Relative Value Scale          |  |  |
| 11 | system applicable to Hawaii as prepared by the United States            |  |  |
| 12 | Department of Health and Human Services, except as provided in          |  |  |
| 13 | this subsection. The rates or fees provided for in this section         |  |  |
| 14 | shall be adequate to ensure at all times the standard of                |  |  |
| 15 | services and care intended by this chapter to injured employees.        |  |  |
| 16 | If the director determines that an allowance under the                  |  |  |
| 17 | medicare program is not reasonable, or if a medical treatment,          |  |  |
| 18 | accommodation, product, or service existing as of June 29, 1995,        |  |  |
|    | HB2573 HD1 HMS 2008-1558  |  |  |

| 1  | is not co   | vered under the medicare program, the director, at any |  |
|----|---|--|--|
| 2  | time, may   | establish an additional fee schedule or schedules not  |  |
| 3  | exceeding   | the prevalent charge for fees for services actually    |  |
| 4  | received by providers of health care services to cover charges  |  |  |
| 5  | for that  | treatment, accommodation, product, or service. If no   |  |
| 6  | prevalent charge for a fee for service has been established for |  |  |
| 7  | a given s   | ervice or procedure, the director shall adopt a        |  |
| 8  | reasonabl   | e rate that shall be the same for all providers of     |  |
| 9  | health ca   | re services to be paid for that service or procedure.  |  |
| 10 | The   | director shall update the schedules required by this   |  |
| 11 | section e   | very three years or annually, as required. The updates |  |
| 12 | shall be  | based upon:  |  |
| 13 | (1)   | Future charges or additions prescribed in the Medicare |  |
| 14 |   | Resource Based Relative Value Scale system applicable  |  |
| 15 |   | to Hawaii as prepared by the United States Department  |  |
| 16 |   | of Health and Human Services; or                       |  |
| 17 | (2)   | A statistically valid survey by the director of        |  |
| 18 |   | prevalent charges for fees for services actually       |  |
| 19 |   | received by providers of health care services or based |  |
| 20 |   | upon the information provided to the director by the   |  |
| 21 |   | appropriate state agency having access to prevalent    |  |
|    |   |  |  |

charges for medical fee information.

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# H.B. NO. H.D. 1

- 1 When a dispute exists between an insurer or self-insured
- 2 employer and a medical services provider regarding the amount of
- 3 a fee for medical services, the director may resolve the dispute
- 4 in a summary manner as the director may prescribe; provided that
- 5 a provider shall not charge more than the provider's private
- 6 patient charge for the service rendered."
- 7 SECTION 2. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 3. This Act shall take effect on July 1, 2059.

### Report Title:

Workers compensation; fee schedule

### Description:

Increases workers compensation fee schedule from one hundred ten percent to an undetermined percentage. Effective 07/01/2059. (HB2573 HD1)