



STATE OF HAWAII

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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HONOLULU, HAWAII 96813
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February 28, 2009

To: The Honorable Marcus R. Oshiro, Chair
and Members of the House Committee on Finance

Date: Tuesday, March 3, 2009
Time: 12:00 p.m.
Place: Conference Room 309, State Capitol

From: Darwin L.D. Ching, Director
Department of Labor and Industrial Relations

Testimony in Opposition

to

H.B. 1279 – Relating to Workers’ Compensation

I. OVERVIEW OF CURRENT PROPOSED LEGISLATION

House Bill 1279 proposes to amend Section 386-21, Hawaii Revised Statutes (“HRS”), by allowing uninterrupted medical care be provided to injured workers in the event of any dispute between the injured employee and the employer regarding treatment, until the Director determines if medical services shall be discontinued and specifies the date after which medical services are denied.

The employer or its insurer may recover from the claimant’s personal health care provider qualified pursuant to section 386-27, HRS, or from any other appropriate occupational or non-occupational insurer, all the sums paid for medical services rendered after the date designated by the Director in which medical services are denied.

II. CURRENT LAW

Injured workers are currently allowed 15 treatments during the initial 60 calendar days. No treatment plan is required if the employee does not exceed 15 treatments in the first 60 days. If an injured worker needs more than 15 treatments and/or further treatment beyond the initial 60 days, the attending physician must submit a treatment plan in accordance with the Hawaii Administrative Rules (“HAR”), section 12-15-32 of the Workers’ Compensation Medical Fee Schedule. Under this section, the attending physician must submit a treatment plan to the employer at least 7 calendar days prior to

the start of treatment. Treatment plans cannot exceed 15 treatments or extend beyond 120 calendar days.

If the employer opposes the treatment plan, the employer must properly notify the injured worker of the decision to deny further treatments. The employer is responsible for all treatments up to the employer's notice of denial. The injured worker or attending physician may request a review of the employer's denial of the proposed treatment plan within 14 calendar days.

Consequently, a hearing is held and a decision is issued either denying or approving the treatment plan. The employer is required to pay the provider of service if the treatments are determined to be reasonable and necessary or the fees can be disallowed if unreasonable or unnecessary. Disallowed fees shall not be charged to an injured worker. Either party can appeal the decision to the Labor and Industrial Relations Appeals Board.

Currently, the time required to schedule the hearing, notice the parties, conduct the hearing and render a decision takes 3 to 4 months.

III. HOUSE BILL

The Department of Labor and Industrial Relations ("Department") appreciates the issue that this bill seeks to resolve through ensuring that claimants that are entitled to medical treatment, receive those benefits. However, the Department opposes the bill due to the effect this measure would have on employers in those cases where a claimant was receiving unnecessary medical treatment. Specifically, the Department has the following concerns and comments:

1. This proposal allows employers or their insurers to seek reimbursement for sums that were paid for medical services after the medical cut off date from the prepaid health care contractors or from other appropriate occupational or non-occupational insurers. However, if the treatment is for unreasonable and unnecessary care, the prepaid health care contractors will not pay for the unreasonable or unnecessary treatment.

In addition, the reimbursement from the prepaid health care contractors may not be the same as allowed under workers' compensation and would also be reduced by the employee's co-payment share. While most health care providers do provide only reasonable and necessary care, we believe that this bill will provide incentives for some health care providers to provide and be reimbursed for

unnecessary health care since this bill appears to require the insurance carrier to pay for treatments until the director renders a decision. Un-reimbursed costs paid by the insurance carriers will result in higher workers' compensation costs, resulting in a corresponding increase in employer insurance premiums.

2. The bill requires that the Department make a decision within thirty days of filing of a dispute. This proposal does not indicate whether a hearing must be held to address the dispute or if a decision can be rendered without a hearing based on records in file. If a hearing is required, thirty days is insufficient time to schedule a hearing, provide notice to the parties, hold the hearing, and render a decision. The minimum time required would be 2 to 3 months and this would result in delaying the scheduling of hearings for other issues such as compensability, termination of temporary total disability and permanent disability determinations.
3. The number of hearings will likely increase dramatically under this proposal. The Department will require more hearings and support personnel to conduct more hearings to address treatment plans and continued medical care issues. The Department estimates that it will require an additional 6 hearings officers (2 for Honolulu and 1 each for neighbor island offices) and 5 clerk typists statewide to timely service the additional hearings and decisions resulting from the passage of this measure.

The Department estimates this cost to be approximately \$495,440 initially and \$461,340 in salaries annually thereafter.

4. This proposal will increase the cost of doing business in Hawaii at a time when it may not be prudent to do so
5. This proposal is similar to a prior measure vetoed by the Governor in 2008. Those same objections that the Governor had for vetoing those bills still exist in this proposal.

LINDA LINGLE
GOVERNOR OF HAWAII



MARIE C. LADERTA
DIRECTOR
CINDY S. INOUE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 2, 2009

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE
For Hearing on Tuesday, March 3, 2009
12:00 p.m., Conference Room 308

BY

MARIE C. LADERTA, DIRECTOR

House Bill No. 1279
Relating to Workers' Compensation

TO CHAIR MARCUS R. OSHIRO AND MEMBERS OF THE COMMITTEES:

The purpose of H.B. No. 1279 is to amend Section 386-21(c), Hawaii Revised Statutes, to require the employer to continue to pay for medical services provided to an injured employee despite disputes over whether treatment is reasonable, necessary, and/or related to the industrial injury, until the director of labor and industrial relations decides whether treatment should be continued.

While the bill states that the employer or the employer's insurer may recover discontinued benefits from the employee's personal health care provider or from any other appropriate occupational or non-occupational insurer, there is no way to insure that recovery would be achieved, especially if the treatment is determined to be unnecessary. The bill provides no mechanism to secure reimbursement nor does it address an appeal procedure should the health care provider deny the employer's or insurer's request.

The Department of Human Resources Development opposes this bill as there are, we believe, adequate safeguards within the statute, administrative rules, and current practices to insure that an individual receives appropriate medical care for as long as the nature of the injury requires. If the treatment being provided is no longer related to the industrial injury, then those services should be billed to the private medical carrier and not be a burden on the workers' compensation system.

DEPARTMENT OF HUMAN RESOURCES
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 10TH FLOOR
HONOLULU, HAWAII 96813

MUFI HANNEMANN
MAYOR



KENNETHY NAKAMATSU
DIRECTOR

March 3, 2009

The Honorable Marcus R. Oshiro, Chair
and Members of the Committee on Finance
State House of Representatives
Hawaii State Capitol
Honolulu, Hawaii 96813

Dear Chair Oshiro and Members:

RE: HOUSE BILL NO. 1279 RELATING TO WORKERS' COMPENSATION

The City and County of Honolulu strongly opposes House Bill No. 1279 amending Section 386-21 of the Hawaii Workers' Compensation Law by requiring employers to continue to pay an injured employee's medical benefits despite disputes over whether treatment should continue, until the Director of Labor and Industrial Relations issues a decision on the matter. This bill makes unnecessary changes to the current law that will increase the cost of workers' compensation and business in the State of Hawaii.

The 1995 Legislature enacted major reforms to the Hawaii Workers' Compensation Law resulting in hundreds of millions of dollars being saved over the last 12 years. The magnitude of the savings can be assessed using data from the State's Department of Labor and Industrial Relations Workers' Compensation Data Book, published annually (see Attachment I). In short, statewide workers' compensation costs 3 years prior to the reform averaged \$331 million annually. Workers' compensation costs for the 12 years immediately following the reform averaged \$253 million annually; a \$78 million annual savings. Put in the proper perspective, over the last 12 years the State of Hawaii has saved \$936 million in workers' compensation costs as a result of the 1995 Legislative changes.

The Twenty-fifth Legislature's proposed changes to the Hawaii Workers' Compensation Law will inevitably increase the cost of workers' compensation in the State of Hawaii back to former high levels. In times of economic turmoil requiring fiscal austerity and innovative solutions, we do not believe this change is in the best interest of the people of our State and that it will further add to the already critical financial crises.

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The Honorable Marcus R. Oshiro, Chair
March 3, 2009
Page 2

We respectfully urge your committee to file House Bill No. 1279 because it so severely restricts the ability of self-insured employers like the City and County of Honolulu and private workers' compensation insurance carriers to administer workers' compensation claims by changing a law that already weighs heavily in favor of the claimant. Further, the proposed changes will add unnecessary hearings to an already overburdened Department of Labor and Industrial Relations.

Sincerely,


Ken Y. NAKAMATSU
Director of Human Resources

Attachment

STATEWIDE WORKERS' COMPENSATION COSTS BY TYPE OF PAYMENT

Type of Payment	2000	2001	2002	2003	2004	2005	2006	2007	Type
TTD	55,312,588	62,586,914	65,056,903	67,654,807	63,706,668	59,067,148	54,967,864	56,919,048	TTD
TPD	2,651,756	3,043,394	2,900,452	3,241,339	3,184,548	3,109,906	2,625,563	2,705,692	TPD
PTD	15,507,928	15,118,576	18,395,265	17,626,114	18,093,822	15,955,797	18,599,904	16,765,532	PTD
PPD	57,260,955	57,875,459	65,159,217	68,803,178	69,515,306	66,399,667	64,195,980	63,054,843	PPD
Death	1,962,684	2,735,802	2,360,809	2,325,041	2,148,014	2,010,782	2,182,528	3,052,391	Death
Disfigurement	1,309,482	1,357,202	1,562,803	1,625,475	1,524,271	1,314,094	1,480,269	1,263,750	Disf
Voc Rehab	5,629,397	5,802,764	6,325,020	6,432,282	6,114,837	5,063,253	4,868,366	4,561,823	VR
Medical	91,184,757	103,303,676	105,926,606	106,912,209	106,766,183	97,638,645	93,394,364	98,513,146	Med
Attendant Services	539,633	217,365	140,180	301,787	236,375	219,851	370,655	457,629	AS
Total	231,359,180	252,041,152	267,827,255	274,922,232	271,290,024	250,779,143	242,685,493	247,293,854	Total

Workers' Compensation Reform began July 1, 1995. Major changes were Medical Fee Schedule (Medicare plus 10%), treatment limits, second injury limits on PPD and part-time workers.

Type of Payment	1992	1993	1994	1995	1996	1997	1998	1999	Type
TTD	75,124,541	83,443,021	80,281,234	70,875,583	61,054,623	57,366,809	53,356,078	51,550,709	TTD
TPD	2,335,548	2,769,212	3,072,057	2,774,293	2,829,674	2,825,736	2,878,552	2,743,336	TPD
PTD	13,600,845	11,232,499	19,763,997	15,497,510	17,618,587	16,716,542	15,714,253	15,830,200	PTD
PPD	69,506,346	76,270,234	81,865,987	95,125,484	93,619,941	72,453,667	64,909,092	57,124,045	PPD
Death	2,765,124	2,392,562	2,632,183	2,789,579	2,814,023	2,899,119	2,238,102	2,395,396	Death
Disfigurement	1,763,162	1,869,215	1,681,428	1,759,164	1,942,172	1,808,428	1,384,551	1,341,929	Disf
Voc Rehab	6,639,072	7,866,683	7,892,705	7,871,615	6,574,004	6,179,012	5,534,403	5,359,001	VR
Medical	115,960,185	137,740,829	145,500,111	129,125,665	101,664,903	94,424,669	87,019,208	85,513,448	Med
Attendant Services	307,956	178,355	390,071	303,969	376,739	241,389	190,286	198,250	AS
Total	288,002,779	323,762,610	343,079,773	326,122,862	288,494,666	254,915,371	233,224,525	222,056,314	Total

Source: Workers' Compensation Data Book, State of Hawaii, Department of Industrial Relations, Research and Statistics Office (1992-2007)



**Testimony to the House Committee on Finance
Tuesday, March 3, 2009; 12:00 p.m.
Conference Room 308
Agenda #3**

RE: HOUSE BILL 1279 RELATING TO WORKERS' COMPENSATION

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber does not support HB 1279, relating to Workers' Compensation.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

This measure requires the employer to continue medical services to an injured employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

The Chamber understands the intent of the bill and businesses recognize that an employee suffering from work-related injuries deservedly warrant proper and necessary treatment. It's important that these benefits be utilized as intended and not in such a way that benefits are activated simply because they exist.

However, passage of this bill may lead to abuse and cause unreasonable and unnecessary treatment for non-related work injuries, and prolong time off the job, even if the employee is deemed able to return to his or her work.

Because of the bill's mandate to require continued medical treatment, this measure may hurt employers including small businesses. Colleagues of the absent employee will unfairly shoulder additional responsibilities, which could have a rippled effect, such as a stressful work environment, lower morale among the employees, and lost productivity. Furthermore, businesses will have to expend additional resources, money, and time to effectuate the reimbursement rights contained in this bill as well as on other issues that may result out of this situation. As a result, the negative consequences of this measure may hinder than promote progress.

Many of our local establishments operate on limited resources, and struggle on a daily basis to keep up with costly regulations. We ask that in these difficult economic times further costs not be imposed on Hawaii's businesses, particularly those affected by the proposed legislation. Implementing laws that will inflict further regulatory requirements will undermine efforts to keep businesses viable or even open during this volatile economic period. We should be promoting incentives rather than mandates.

In summary, HB 1279, while well-intended, will have a negative impact and may lead to a rise in workers' compensation insurance costs and the overall cost of doing business. We believe further evaluation should be conducted on some of the concerns arising out of this bill versus the purpose before passing legislation that could lead to significant unintended consequences.

Thus, The Chamber respectfully requests this measure be held. Thank you for the opportunity to testify.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

March 3, 2009

Honorable Marcus Oshiro, Chair
Committee on Finance
State Capitol, Room 308
Honolulu, Hawaii 96813

RE: HB 1279 "Relating to Workers Compensation" (continued medical benefits)

Chair Oshiro and Members of the Committee on Finance:

I am Karen Nakamura, Executive Vice President & Chief Executive Officer of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii strongly opposes HB 1279, "Relating to Workers' Compensation" because we believe that this bill will encourage abuse and over-treatment of medical care in the workers' compensation system and that will unnecessarily increase costs. HB1279 requires employers to continue medical services to an injured employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

There will be an increase in medical expenses under workers' compensation insurance because of the automatic 30-day extension of benefits. These costs will be passed on to businesses and consumers in the form of rate increases. Medical costs represent 43.8% of Hawaii's total workers compensation costs according to the National Council on Compensation Insurance (NCCI) in their analysis dated February 29, 2008. Any increases in medical costs will increase total workers compensation costs.

We ask that this bill be held.



Executive Vice President & Chief Executive Officer
BIA-Hawaii



Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair
Committee on Finance

HEARING Tuesday, March 03, 2009
 12:00 pm
 Conference Room 308
 State Capitol, Honolulu, Hawaii 96813

RE: HB1279 Relating to Workers' Compensation

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii. The retail industry is the one of the largest single employer in the state, employing 20% of the labor force.

RMH opposes HB1279, which requires the employer to continue medical services to an injured employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

We do not dispute that an injured worker should receive quality and appropriate medical care as long as required. However, this measure could lead to unnecessary abuse and unwarranted extension of time away from the workplace.

More importantly, there is no recourse to the employer to recover the costs of the disputed medical treatment from the employee should the director of labor and industrial relations render a ruling in the employer's favor. Whether these additional costs are covered by an employer's workers' compensation insurer or by his personal health care provider, the resulting increased premium costs will be borne by the employer.

The members of the Retail Merchants of Hawaii respectfully request that you hold HB1279. Thank you for your consideration and for the opportunity to comment on this measure.

A handwritten signature in black ink, appearing to read 'Carol Pregill', written in a cursive style.

Carol Pregill, President

RETAIL MERCHANTS OF HAWAII
1240 Ala Moana Boulevard, Suite 215
Honolulu, HI 96814
ph: 808-592-4200 / fax: 808-592-4202



Pauahi Tower, Suite 2010
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Alison Powers
Executive Director

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON FINANCE
Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair

Tuesday, March 3, 2009
12:00 p.m.

HB 1279

Chair Oshiro, Vice Chair Lee, and members of the Committee, my name is Alison Powers, Executive Director of Hawaii Insurers Council. 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 60% of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **opposes** H.B. 1279, which would require employees to receive medical benefits when the need for such treatment is being controverted.

Currently, under Hawaii Administrative Rules 12-12-45, Controverted Workers' Compensation Claims, the rule states that in a controverted claim, the prepaid health provider shall pay. H.B. 1279 automatically shifts the payment to the workers' compensation insurer while the Director makes a decision, regardless of whether the injury is work related or not. The employer/insurer must also pay for benefits regardless if fraud is suspected. Currently, at the time an insurer denies a treatment request, there is evidence, usually in the form of an independent medical examination, which justifies termination. Under H.B. 1279, the employer/insurer must continue to pay without reimbursement until a decision and notification is made. The employer should be allowed to deny a treatment request when there is medical evidence to substantiate the

denial. The current procedure ensures due process by allowing the employee or the provider to request a hearing.

H.B. 1279 prohibits any recovery by the employer/insurer until after the Director issues a decision and notification. The Director has 30 days to make a decision, therefore, this bill merely guarantees another 30 days of treatment to the employee and payment to the provider. It provides an incentive to the employee and provider to continue treatment, whether necessary or not. H.B. 1279 will encourage treatment abuse by providers that have a tendency to utilize treatment modalities not reimbursable under workers' compensation or other medical benefit plans. Such treatment that is challenged by the employer or the employer's insurer may include unconventional, experimental, or non-FDA approved pharmaceutical regimes. This is not beneficial to the injured worker and would also expand the degree of risk the employer has to bear in the event there are adverse consequences as a result of the controverted treatment. Furthermore, the bill does not have any provision in the event the decision is not made within the 30 days. If he does not make a decision within the timeframe, it appears that the employer/insurer still must continue to pay medical benefits.

Although the bill allows the employer or the employer's insurer to recover from the employee's personal health care provider for medical services rendered after the date designated by the Director, the treatment rendered may not be reimbursable. If reimbursable, it may be at a different rate. This provision places an unfair financial burden on employers by requiring them to bear the cost for treatment that is outside the scope of workers' compensation benefits. If the treatment is deemed unnecessary by the health insurer, the workers' compensation insurer must bear the cost of treatment that is *outside even health insurance benefits*. This provision will also add cost to the adjudication of the claim when the employer/insurer has to subrogate other entities for payment.

Finally, there will be an increase in medical expenses under workers' compensation insurance because of the automatic 30-day extension of benefits. These costs will be passed on to businesses and consumers in the form of rate increases. In their analysis dated February 29, 2008 of the same bill from last year (HB 2388), The National Council on Compensation Insurance (NCCI) stated in part:

"...Specifically, the Hawaii Department of Labor and Industrial Relations WC Data Book for 2005 reports 39,889 WC cases with some payment, and a total of 10,135 decisions issued. Of these, 5,947 involve a dispute that could impact medical compensation. If 30% to 50% of the decisions include a medical component, then 3,000 to 5,000 cases with disputes over medical care could have a month of additional covered treatment while waiting for a decision. The treatment would likely be of a palliative nature, to comply with the charge to prevent deterioration. **Assuming the cost for a month of treatment, including medication for pain, inflammation or other injury related problems, could range between \$290 and \$1790, the additional medical costs might be \$0.9 Million to \$9.1 Million. This is a range of 0.5% to 3.9% of Hawaii's WC medical costs. Medical costs represent 43.8% of Hawaii's total WC costs, resulting in a possible impact from between 0.2% and 1.7% of overall WC system costs.**"

We respectfully request that H.B. 1279 be held.

Thank you for the opportunity to testify.

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM:
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CHRISTOPHER G. PABLO
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MEMORANDUM

TO: Representative Marcus Oshiro
Chair, House Committee Finance
Via Facsimile: 586-6001

FROM: Anne Horiuchi

DATE: March 2, 2009

RE: **H.B. 1279 - Relating to Workers' Compensation**
Hearing: Tuesday, March 3, 2009 at 12:00 p.m., Room 308 (Agenda #3)

Dear Chair Oshiro and Members of the Committee on Finance:

I am Anne Horiuchi, testifying on behalf of the American Insurance Association (AIA). AIA represents approximately 350 major insurance companies that provide all lines of property and casualty insurance and write more than \$123 billion annually in premiums. AIA members supply 23 percent of the property/casualty insurance sold in Hawaii. The association is headquartered in Washington, D.C. and has representatives in every state. All AIA news releases are available at www.aiadc.org.

H.B. 1279 requires the employer to continue medical services to an injured employee despite disputes over whether treatment should be continued, until the Director of the Department of Labor & Industrial Relations decides whether treatment should be continued.

AIA submits that this measure creates the potential for abuse and will result in increased costs. AIA opposes H.B. 1279 and respectfully requests that the measure be held in committee.

Thank you very much for the opportunity to submit testimony on this measure.

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

March 1, 2009

TO: THE HONORABLE REPRESENTATIVE MARCUS R. OSHIRO, CHAIR AND
MEMBERS OF COMMITTEE ON FINANCE

SUBJECT: H.B. 1279, RELATING TO WORKERS' COMPENSATION

NOTICE OF HEARING

DATE: Tuesday, March 03, 2009

TIME: 12:00 P.M.

PLACE: Conference Room 308

Dear Chair Oshiro and Committee Members:

The General Contractors Association of Hawaii (GCA), an organization comprised of over five hundred and sixty (560) general contractors, subcontractors, and construction related firms, **strongly opposes** the passage of H.B. 1279, Relating to Workers Compensation.

H.B. 1279 requires the employer to continue medical services to an injured employee despite disputes over whether treatment should be continued until the Director of the Department of Labor and Industrial Relations decides whether treatment should be continued. The provisions of this bill would give undue advantage to an employee who wishes to prolong the time off the job, even if the employee was deemed able to return to work. The DLIR may not be sufficiently staffed to provide a decision in a timely fashion.

This bill also erodes employers' rights and increases their costs of conducting their businesses because they must pay for treatments that subsequently are deemed unnecessary.

For these reasons, the GCA **strongly opposed** H.B. 1279.

Thank you for the opportunity to provide our views on this issue.



Chair, Representative Marcus R. Oshiro
Vice-chair, Representative Marilyn B. Lee
Committee: Finance
Society for Human Resource Management (SHRM) Hawaii
Testimony date: Tuesday, March 3, 2009

Opposition to HB1279 Relating to Workers' Compensation

SHRM Hawaii is the local chapter of a National professional organization of Human Resource professionals. Our 1,200+ Hawaii membership includes those from small and large companies, local, mainland or internationally owned - tasked with meeting the needs of employees and employers in a balanced manner, and ensuring compliance with laws affecting the workplace. We (HR Professionals) are the people that implement the legislation you pass, on a day-to-day front line level.

SHRM Hawaii strongly opposes House Bill 1279, which would require the employer to continue medical services to an injured employee despite disputes over whether treatment should be continued. We are concerned about the additional administrative burden this will put on our members.

SHRM Hawaii respectfully urges the committee to kill House Bill 1279.

Thank you for the opportunity to testify. SHRM Hawaii offers the assistance of the Legislative Committee in discussing this matter further.



Before the House Committee on Finance

DATE: March 3, 2009

TIME: 12:00 p.m.

PLACE: Conference Room 308

Re: HB 1279 Relating to Workers' Compensation Testimony of Melissa Pavlicek for NFIB Hawaii

Thank you for the opportunity to testify. On behalf of the business owners who make up the membership of the National Federation of Independent Businesses in Hawaii, we ask that you reject HB 1279. NFIB opposes this measure in its current form.

The National Federation of Independent Business is the largest advocacy organization representing small and independent businesses in Washington, D.C., and all 50 state capitals. In Hawaii, NFIB represents more than 1,000 members. NFIB's purpose is to impact public policy at the state and federal level and be a key business resource for small and independent business in America. NFIB also provides timely information designed to help small businesses succeed.

We are concerned about the possible unintended consequences of mandating employers to continue medical services to an injured employee despite disputes over whether treatment is necessary, especially during such challenging economic times. We believe that such legislation will add costs to business which ultimately hurts employees and the economy as a whole.



**Property Casualty Insurers
Association of America**

Shaping the Future of American Insurance

1415 L Street, Suite 670, Sacramento, CA 95814-3972

To: The Honorable Marcus R. Oshiro, Chair
House Finance Committee

From: Samuel Sorich, Vice President

RE: **HB 1279 – Relating to Workers’ Compensation**
PCI Position: Oppose

Date: Tuesday, March 3, 2009 (Agenda #3)
12:00 p.m., Conference Room 308

Aloha Chair Oshiro and Members of the Committee:

The Property Casualty Insurers Association of America (PCI) is opposed to HB 1279 because the bill is unnecessary, costly and impractical.

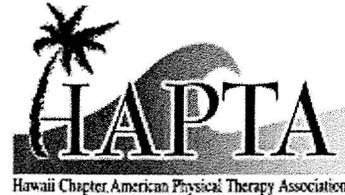
HB 1279 would require an employer who disputes an employee’s medical treatment to continue to pay for the treatment until the director of the department of labor and industrial relations makes a decision that the treatment should be discontinued. The bill would displace the existing system which gives the employee’s attending physician the right to administrative review of an employer’s dispute of medical treatment. In place of the existing system, HB 1279 would establish a system that would require an employer to continue to pay for disputed treatment and seek an administrative ruling in order to terminate payments. There is no evidence to justify the bill’s proposed change.

HB 1279 would increase workers compensation costs for Hawaii employers. The bill would require an employer to pay for treatments that may not be related to workplace injuries and may not be effective in helping an employee to return to work. The reimbursement rights that the bill provides to employers are inadequate and costly to effectuate. The resulting unreimbursed costs would unjustly burden employers.

HB 1279 calls for the director to make decision within 30 days. However, the 30-day time frame appears to be impractical, and the bill provides no consequences for missing the 30-day deadline. The reality is that HB 1279 would require the payment for disputed medical treatment for extended periods of time.

PCI requests that the Committee hold the bill.

**Testimony by:
Derrick Ishihara, PT**



**HB 1279, Relating to Workers' Compensation
House FIN, March 3, 2009
Room 308, 12:00 pm**

Position: Support Intent, With Recommendation

Chair Oshiro and Members of the House FIN Committee:

I am Derrick Ishihara, P.T., a small business owner/physical therapist and member of HAPTA's Legislative Committee. The Hawaii Chapter – American Physical Therapy Association (HAPTA) is comprised of 300 member physical therapists and physical therapist assistants employed in hospitals and health care facilities, the Department of Education and Department of Health systems, and private practice. Our members represent Hawaii at the national American Physical Therapy Association and are delegates for Pediatrics, Women's Health, Parkinson's Disease and other issue sections. We are part of the spectrum of care for Hawaii, and provide rehabilitative services for infants and children, youth, adults and the elderly. Rehabilitative services are a vital part of restoring optimum function from neuromusculoskeletal injuries and impairments.

HAPTA agrees with the intent of this measure that seeks to ensure that the injured employee shall continue to receive essential medical services by the treating physician necessary to prevent deterioration of the injured employee's condition or further injury.

As written however, this bill will not achieve that objective. If the Director can retroactively deny care that has already been delivered, and an insurer can recover from the health care provider "...all the sums paid for medical services from that treatment plan rendered after the date designated by the director..." it would effectively terminate the medical care. No provider of service, medical or otherwise, would perform services without assurances that those services would be reimbursed. As written, HB 1279 does not provide guidelines to providers as to how the director will evaluate these utilization issues.

Recommendation: To achieve the purposes of this bill, HAPTA recommends the bill be amended to ensure payment for medical services rendered in good faith at least until the date of the Director's decision.

I may be reached at 593-2610 if there are any questions. Thank you for the opportunity to present testimony.

HOUSE OF REPRESENTATIVES
THE TWENTY-FIFTH LEGISLATURE
REGULAR SESSION OF 2009

COMMITTEE ON FINANCE
Rep. Marcus R. Oshiro, Chair
Rep. Marilyn B. Lee, Vice Chair

Date: Tuesday, March 3, 2009
Time: 12:00 p.m.
Place: Conference Room 308, State Capitol

TESTIMONY OF ILWU LOCAL 142

RE: HB 1279, RELATING TO WORKERS' COMPENSATION

Thank you for the opportunity to present testimony regarding HB 1279. We support this modest but constructive bill.

Where disputes arise about the approval of medical care, H.B. 1279 mandates the continuation of essential medical care until there is a ruling from the Department of Labor and Industrial Relations. The bill also requires that a decision be made within 30 days of the filing of a dispute, which will go far toward assuring that needed care is not denied and that medical progress is not obstructed by legal disputes over coverage.

Disruption of medical care is a major impediment to returning injured workers to gainful employment promptly and efficiently, and HB 1279 addresses this problem in a balanced and equitable fashion.

In conjunction with these protections for the injured worker, HB 1279 carefully provides that if medical services are terminated under workers' compensation insurance, the employer and insurer may recover the costs they have expended from the claimant's individual health care provider. This is a workable remedy, because workers' compensation medical fees are uniformly lower than fees under regular pre-paid health insurance so such reimbursements will be financially feasible. Employers will also benefit because medical care was continuous, thus enhancing the likelihood of a prompt return to gainful employment, which in turn will lower expenditures for temporary disability benefit payments and vocational rehabilitation costs.

HB 1279 is thus a proposal which helps to fulfill the rehabilitative potential of the workers' compensation statute and confers benefits to employees, employers, insurers, and the system itself. It is therefore eminently worthy of adoption, and we urge its passage.

TESTIMONY BEFORE THE HOUSE OF REPRESENTATIVES

COMMITTEE ON FINANCE

Tuesday, March 3, 2009
12:00 p.m.

HB 1279
RELATING TO WORKERS' COMPENSATION

By Marleen Silva
Director, Workers' Compensation
Hawaiian Electric Company, Inc.

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Hawaiian Electric Co. Inc., its subsidiaries, Maui Electric Company, LTD., and Hawaii Electric Light Company, Inc. **respectfully oppose H.B. 1279.** Our companies represent over 2,000 employees.

This bill requires employers to continue paying for medical treatment, despite disputes over whether treatment should be continued, until the Director of the Department of Labor and Industrial Relations (DLIR) can decide on the matter.

We can appreciate the intent of the bill and recognize the importance of insuring that injured employees receive proper and necessary medical care. However, we feel this bill changes the intent of the workers' compensation system. It forces employers to pay for inappropriate and unnecessary treatment, and for care that may be unrelated to a work injury. Such treatment should be appropriately billed to the employee's private medical insurance plan.

We are also concerned the DLIR may not be adequately staffed to review and issue decisions on a timely basis. If the Director subsequently rules in the employers favor, the bill provides no assurances that employers will be equally reimbursed for all fees paid upfront.

We believe the existing workers' compensation statutes, administrative rules and regulations have adequate safeguards to insure that an employee receives appropriate medical care for as long as the nature of the work injury requires.

Passage of this bill will create potential for employee abuse, increase workers' compensation costs, and the overall cost of doing business in Hawaii.

For these reasons, we respectfully oppose H.B. 1279 and request that this measure be held.

Thank you for this opportunity to submit testimony.

FINTestimony

From: glenn_muranaka@deanfoods.com
Sent: Monday, March 02, 2009 12:29 PM
To: FINTestimony
Subject: HB 1279 HD1

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: hhartmann@paragonmetals.biz
Sent: Monday, March 02, 2009 4:43 PM
To: FINTestimony
Subject: HB 1279 HD1

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, March 03, 2009 9:28 AM
To: FINTestimony
Cc: MHOenig@PuroClean.com
Subject: Testimony for HB1279 on 3/3/2009 12:00:00 PM

Testimony for FIN 3/3/2009 12:00:00 PM HB1279

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Mark Hoenig
Organization: Individual
Address: 138 Kapela Pl Kahului, HI
Phone: 808-268-6701
E-mail: MHOenig@PuroClean.com
Submitted on: 3/3/2009

Comments:

As a small business owner, I feel HB1279 would create the potential for abuse of the Workers Compensation process. It also creates a potentially very serious financial burden for small businesses - at a time when we can probably least afford it. I am definitely OPPOSED to HB952, and ask you to vote accordingly. Help to keep small businesses alive during these challenging economic times - don't add to their challenges.

With respect,
Mark Hoenig

FINTestimony

From: mailinglist@capitol.hawaii.gov
ent: Tuesday, March 03, 2009 9:03 AM
To: FINTestimony
Cc: jandj@shaka.com
Subject: Testimony for HB1279 on 3/3/2009 12:00:00 PM

Testimony for FIN 3/3/2009 12:00:00 PM HB1279

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Janet Mozina
Organization: Individual
Address: 356 Kai Malu Place Kihei Hi
Phone: 870-2610
E-mail: jandj@shaka.com
Submitted on: 3/3/2009

Comments:

Prolonged recovery does not benefit anyone. Loss of Physical abilites and resulting mental depression creates more problems for all.

FINTestimony

From: tim.forkner@dhx.com
Sent: Tuesday, March 03, 2009 4:51 AM
To: FINTestimony
Subject: HB 1279 testimony CC: my Legislator

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 03, 2009 8:51 AM
To: FINTestimony
Cc: Lori@wildip.com
Subject: Testimony for HB1279 on 3/3/2009 12:00:00 PM

Testimony for FIN 3/3/2009 12:00:00 PM HB1279

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Lori Tezak
Organization: Individual
Address:
Phone:
E-mail: Lori@wildip.com
Submitted on: 3/3/2009

Comments:

FINTestimony

From: pzldoh@hotmail.com
Sent: Monday, March 02, 2009 12:41 PM
To: FINTestimony
Subject: Pls. vote no on HB 1279

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

Reid Harada
Hawaiian Isles Petroleum, LLC.
Phone: 808-841-6999

FINTestimony

From: palmere002@hawaii.rr.com
ent: Monday, March 02, 2009 12:54 PM
To: FINTestimony
Subject: "HB 1279 Testimony (CC: Barbara Marumoto, Marcus Oshiro)"

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, at a time when business and the community cannot afford added burdens.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

Elizabeth Palmer
808.526.4091

FINTestimony

From: mikerabe@hawaiicaterers.com
Sent: Monday, March 02, 2009 1:47 PM
To: FINTestimony
Subject: HB 1279 Testimony (CC: My Legislator)

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

FR: Michael E Rabe, CPCE
President
Creations in Catering

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: mmomoki@itchawaii.com
ent: Monday, March 02, 2009 12:20 PM
To: FINTestimony
Subject: HB 1279

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, whcih will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

Melinda Momoki
Island Title Corporation
808-531-0261

FINTestimony

From: honolulu_gm@hardrock.com
Sent: Monday, March 02, 2009 1:21 PM
To: FINTestimony
Subject: Testimony to the House Finance Committee, HB 1279 HD1

Niki Doyle
Hard Rock Cafe, General Manager
1837 Kapiolani Blvd
Honolulu, HI 96826
(808) 955-7383 ph
(808) 949-6040 fax
Honolulu_gm@hardrock.com

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake this.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

Sincerely,

Niki Doyle

FINTestimony

From: jtoth@netenterprise.com
Sent: Monday, March 02, 2009 12:38 PM
To: FINTestimony
Subject: HB 1279 Testimony

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is J Toth and I am with NetEnterprise Inc., a Hawaii-based network services integrator with 45 employees.

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

Should you have any questions or concerns, I can be reached at 808-441-5050 or via email at jtoth@netenterprise.com.

Thank you for the opportunity to submit written testimony.

FINTestimony

From: robertka@ah.org
Sent: Monday, March 02, 2009 12:57 PM
To: FINTestimony
Subject: HB 1279 Testimony (CC: Rep. Pono Chong, Rep. Marcus Oshiro)

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

From: Kevin A. Roberts, R.N.
President and CEO
Castle Medical Center
Kailua, Hawaii
808-263-5142

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: geckoentinc@hawaii.rr.com
ent: Monday, March 02, 2009 9:10 AM
To: FINTestimony
Subject: HB 1279 Testimony (CC: My Legislator)

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Submitted: March 2, 2009

Edwin and Rebecca Gonzales of Gecko Enterprises, Inc. a full service plumbing contractor that is fully licensed and insured, 68-369 Kikou St. P.O. Box 903 Waiialua, HI 96791 (808) 637-3240.

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, whcih will be counterproductive to its actual purpose.

his measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: charlie@alohanursing.com
Sent: Monday, March 02, 2009 9:35 AM
To: FINTestimony
Subject: Stand with the Employers during these hard times

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: kokamura47@hotmail.com
Sent: Monday, March 02, 2009 9:28 AM
To: FINTestimony
Subject: HB 1279

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

FINTestimony

From: kkane@argosy.edu
Sent: Monday, March 02, 2009 9:26 AM
To: FINTestimony
Subject: Do not pass HB 1279 HD1

Testimony to the House Finance Committee March 3, 2009 12:00 p.m.
Agenda #3

Re: HB 1279 HD1

Chair Oshiro, Vice Chair Lee and Members of the Committee:

I Kawika Kane, of 91-1022 Owakalena Street, Kapolei, HI respectfully request that you do not pass HB 1279 HD 1 relating to Workers' Compensation.

This measure requires the employer to continue medical services to an employee despite disputes over whether treatment should be continued, until the director of labor and industrial relations decides whether treatment should be continued.

Although I understand the intent of the bill, I believe this bill may serve as a disincentive to return to work, which will be counterproductive to its actual purpose.

This measure, if passed, may increase my workers' compensation premiums and the overall cost of doing business, a time when my business and the community cannot afford to undertake.

If you have any questions, please do not hesitate to contact me. Thank you for the opportunity to submit written testimony.

Kawika Kane
Kapolei, HI

Cell: 366-6559
Email: kkane@argosy.edu

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 03, 2009 9:50 AM
To: FINTestimony
Cc: noelani@maui.net
Subject: Testimony for HB1279 on 3/3/2009 12:00:00 PM

Testimony for FIN 3/3/2009 12:00:00 PM HB1279

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Donna Lorenz
Organization: Noelani Condo Resort
Address: 4095 l. Honoapiilani Rd Lahaina, Hi 96761
Phone: 808-669-8374
E-mail: noelani@maui.net
Submitted on: 3/3/2009

Comments:

Medical treatment should not be interrupted for the injured worker