Hearing Date/Time: February 28, 2011 (5:00 PM)

The Honorable Marcus R. Oshiro, Chair The Honorable Marilyn B. Lee, Vice Chair House Finance Committee STATE CAPITOL Conference Room 308 415 South Beretania Street Honolulu, Hawaii

SAH INC

By facsimile (808) 586-6001 (Oahu) 1-800-535-3859 (for Neighbor Islands)



Re: TESTEMONY IN OPPOSITION TO HB 466, HD2

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

HB 466. HD2 requires Independent Medical Examinations (IME) and Permanent Impairment Rating Examinations for workers compensation claims to be performed by mutually agreed upon physicians.

As a business owner and an employer in Hawaii, I oppose this bill for the following reasons:

- 1. HB 466, HD 2 will limit my fundamental right as an employer to select a duly qualified IME physician.
- 2. HB 466, HD2 will substantially increase the cost of claims and increase disputes between employers and employees.
- 3. HB 466, HD2 will Negatively Affect the Quality of IMEs, an important safeguard for employers.

For these reasons, we respectfully urge you to hold this bill.

Thank you for your attention to this very important matter.

Very Truly Yours

Signature

SAH Inc

Company



February 28, 2011

Committee on Finance
Representative Marcus R. Oshiro
Chair and Rep. Marilyn B. Lee
Vice Chair and Respective Committee Members

TESTIMONY IN SUPPORT OF HB 466

My name is Beverly Tokumine, I am a Rehabilitation Specialist at Vocational Management Consultants, Inc. I have worked within the field of workers compensation for the past 28 years and as a vocational rehabilitation specialist for the past 7 years. I am a member of the Hawaii Injured Worker Alliance, and a member of the International Association of Rehabilitation Specialists, IARP. As a Rehabilitation Specialist, I support the HB 466, which is the mutually agreed upon independent medical evaluations. This will provide the Injured Worker less anxiety and ill feeling to the employer requested medical evaluation.

This measure can only help the system decrease the costs and delays in the rehabilitation process. Once again, I support this bill and urge you support.

Sincerely,

Beverly Tokumine, M. Ed., CRC Rehabilitation Specialist

February 28, 2011

Committee on Finance
Representative Marcus Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair
And Members of the Committee on Finance
State Capitol, Room 306
415 South Beretania Street
Honolulu, Hawaii 96813



Date of Hearing: Monday, February 28, 2011 at 5:00 p.m.

Relating to: HB 466

Dear Representative Oshiro and Members of the Committee:

My name is Kirsten Harada and I am a Vocational Rehabilitation Counselor and member of the International Association of Rehabilitation Professionals. I am writing in support of HB 466, which will require Independent Medical Evaluations and Permanent Impairment rating examinations to be performed by mutually physicians.

I feel that the injured worker should not be put on the sidelines and should have a say in who does these examinations to ensure a fair, objective, and truly independent evaluation of their case and disability.

I thank you for the opportunity to address this committee.

I strongly urge you to SUPPORT HBB 466.

Sincerely,

Kirsten Harada 715 S. King Street, Suite #410 Honolulu, HI 96813 538-8733

RECEIVED

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2011 FEB 28 P 4: 54

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By facsimile (808) 586-6001 (Oahu) 1-800-535-3859 (for Neighbor Islands)

SERGEANT-AT-ARMS HOUSE OF REPRESENTATIVES



Re: TESTIMONY IN OPPOSITION TO HB 466, HD2

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- 3. HB 466, HD2 will Negatively Affect the Quality of IMEs, an important safeguard for employers.

For these reasons, we respectfully urge you to hold this bill.

Thank you for your attention to this very important matter.

Very Truly Yours

Sionature

DBA Richard Taylor





Testimony in <u>Opposition</u> of HB466 HD 2 Relating to Workers' Compensation

Submitted to the House Committee on Finance Monday, February 28, 2011 at 5:00 p.m. Conference Room 308

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

The Maui Chamber of Commerce, an organization comprised of approximately 750 businesses from every industry on Maui, opposes HB 466 HD2, relating to Workers' Compensation as this measure equates to another unnecessary workplace mandate that will further hurt local businesses.

If you require that independent medical examinations and Permanent Impairment Rating Examinations be performed by mutually agreed upon physicians, you will:

- Subject employers to delays in process and additional expense. The Independent Medical Examination (IME) process is an essential component of the employer's discovery process to ensure proper treatment and costs. Since the employer and their insurance carrier pay 100% of the IME cost, the employer should have the right to select the physician of their choice to help determine whether or not an injury is work related or whether medical treatment is reasonable.
- Increase costs by precluding the combining of examination and rating without the
 employee's written consent. To require the employer to schedule a separate rating
 would be a tremendous inconvenience to the employer, employee and IME physician as
 well as result in doubling the costs, making this proposal unnecessary, inconvenient,
 inefficient and expensive.
- Limit the specialist physicians needed for certain examinations or permanent impairment ratings given the medical fee schedule. We instead ask that you work with our community of physicians to determine appropriate guidelines for conducting IMEs.

The current system is working and therefore this additional workplace mandate is not required. The vast majority of IMEs are conducted without incident or dispute. The opportunity for an employer IME can greatly enhance the likelihood of successful treatment, recovery and resolution of the claim without the need to take the matter to hearing before the Director at significant savings in time and resources.

Therefore, we oppose HB 466 HD2, ask that you stand in strong support of small businesses, and hold this measure.

Thank you for the opportunity to testify.

Sincerely,

Pamela Tumpap

THE LAW OFFICES OF DOUGLAS THOMAS MOORE

Office Address: Century Square 1188 Bishop Street, Suite 1401 Honolulu, Hawai'i 96813

Telephone: (808) 526-0056 Fax: (808) 526-0057

Moore4640@hawaiiantel.net

February 28, 2011

VIA EMAIL: LABTestimony@Capitol.hawaii.gov

TO: House Finance Committee

Hon. Rep. Marcus R. Oshiro, Chair

Re: TESTIMONY IN SUPPORT OF HB 466 HD 2

TO BE HEARD 2/28/11 @ 5:00 p.m

Dear Rep. Oshiro and Committee Members:

I represent injured workers in their workers' compensation claims. I support HB 466 HD2. The intention of the bill is to not only protect the rights of injured workers, but also to save employers money by requiring that physician Independent Medical Examinations (IME's) and Permanent Partial Disability (PPD) ratings be by mutual agreement of the parties. This mutual agreement should avoid litigation, which costs money, because by agreement the parties should agree to the opinions and conclusions of the mutually agreed upon physician.

This mutuality of agreement is good for the injured workers who often times have been forced to bad IME doctors who have reputations for almost always rendering opinions against the injured workers. The bad IME doctor opinions do not resolve the issues in the claim and, instead, more litigation ensues which is not good for any of the parties including the Department of Labor which then has to spend time and resources to address and resolve the litigation. Instead, fair and impartial opinions and conclusions should lead to the prompt and effective rehabilitation of injured workers. This gets them back to work sooner which is what employers need.

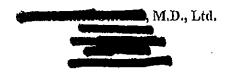
This mutuality of agreement is good for employers and insurance carriers because the opinions and conclusions of the physicians selected should be agreed to by the parties and thereby avoid disagreement and costly litigation. There is typically too much litigation now in the work comp system when the examining physicians are not agreed to by the parties. The goal of work comp is to get the injured workers rehabilitated and back to work which is a great benefit to employers and their insurance carriers. The opinions of fair and impartial physicians will promote this worthy goal.

This mutuality of agreement is also good because it should save money. Too many times there are multiple expensive IME's of injured workers. For instance, enclosed is a bill for \$8,115.18 from an IME doctor! This was the fourth (4th) IME of one injured worker (usually there is only supposed to be one IME per claim). So, was over \$30,000.00 paid out in IME's for this one claim? And this is a State of Hawai'i case. These costs for IME's are ridiculous especially considering the poor financial condition of the State of Hawai'i.

Stop IME abuse and save money by supporting HB 466 HD2. Mahalo. Please pass this bill. Thank you. Should you have any questions or need further information from me, please do not hesitate to contact me.

Very Truly Yours,

Douglas Thomas Moore



Diplomate American Board of Psychiatry and Neurology (Adult) Diplomate American Board of Psychiatry and Neurology (Child) Diplomate American Board of Psychiatry and Neurology (Povensic)

February 24, 2010

Esq. Davies Pacific Center 841 Bishop Street Honolulu, HI 96813

> RE: Claimant:

Employer:

Carrier:

D/Injury:

Case No.: D/Exam:

Self-Insured 12/21/05

AB-2006-569 (2-06-40097)

y, State of Hawaii

01/06/10

Hourly charges at \$500.00 per hour as follows:

Review of records	7.25	hours	\$3625.00
Time reserved for examination 11/17/09 "no show"	2.50	hours	\$1250.00
Time reserved for examination 1/6/10	2.50	hours	\$1250.00
Report .	3.25	hours	\$1625.00
Excise tax			<u>\$ 365.18</u>
TOTAL DUE			\$8115.18

Please make payment to:

TOTAL DUE

Certified as an original

n, M.D., Ltd.