DAVID Y. IGE GOVERNOR DOUGLAS S. CHIN



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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February 22, 2018

To: The Honorable Donovan M. Dela Cruz, Chair,

The Honorable Gilbert S.C. Keith-Agaran, Vice Chair, and Members of the Senate Committee on Ways and Means

Date: Thursday, February 22, 2018

Time: 10:10 a.m.

Place: Conference Room 211, State Capitol

From: Leonard Hoshijo, Acting Director

Department of Labor and Industrial Relations (DLIR)

Re: S.B. No. 2660 RELATING TO MEDICAL COVERAGE

I. OVERVIEW OF PROPOSED LEGISLATION

This proposal is intended to improve access for firefighters to comprehensive medical coverage for specific organs affected by disease that are presumed to arise out of and in the course of employment. It also proposes to increase the fees for medical care, services and supplies for treatment provided to firefighters for these specific diseases, to not exceed 137% of fees in the Medicare Fee Schedule applicable to Hawaii. The bill adds two new sections to Chapter 386, Hawaii Revised Statutes (HRS).

DLIR <u>supports the intent</u> of this proposal as narrowly, currently drafted and provides comments.

II. CURRENT LAW

Section 386-3, HRS, defines injury and provides that the employee's employer shall pay compensation to the employee or the employee's dependents as provided in chapter 386 if an employee suffers personal injury either by accident arising out of and in the course of employment, or by disease proximately caused by or resulting from the nature of the employment.

Section 386-21 (c), HRS, establishes the liability of the employer for medical care,

services and supplies shall not exceed 110% of Medicare. Rates or fees provided for in this section shall be adequate to ensure at all times the standard of service and care intended by this chapter to injured employees. If the Director determines an allowance under the Medicare program is not reasonable or not covered, the Director may establish additional fee schedule(s) not exceeding the prevalent charge for fees for services actually received by providers of health care services, to cover charges for treatment, accommodation, product or service. Currently, a fee schedule named Exhibit A contains those allowable fees as attached to §12-15, Hawaii Administrative rules.

Section 386-73.5, HRS, establishes that the DLIR Director has original jurisdiction over all controversies and disputes arising out of workers' compensation.

Section 386-85, HRS, provides a presumption of employment and compensation for a work-covered work injury, in the absence of substantial evidence to the contrary.

Section 386-86, HRS, establishes an informal hearing process that is not subject to chapter 91.

III. COMMENTS ON THE SENATE BILL

DLIR supports the intent of this proposal to ensure that firefighters receive proper medical treatment in a timely manner, as well as lessen the impact due to the effects of cancer. DLIR has general concerns where a class of workers is treated differently.

DLIR notes that 137% is the average cost of medical codes on Exhibit A of the Workers' Compensation Medical Fee Schedule rules (§12-15).



JEFFREY MURRAY
FIRE CHIEF

LIONEL MONTALVO
DEPUTY FIRE CHIEF

COUNTY OF MAUI DEPARTMENT OF FIRE & PUBLIC SAFETY

200 DAIRY ROAD KAHULUI, HI 96732 (808) 270-7561 Fax (808) 270-7919

February 22, 2018

The Honorable Donovan Dela Cruz, Chair Committee on Ways and Means The State Senate State Capitol, Room 208 Honolulu, Hawaii 96813



Dear Chair Dela Cruz:

Subject: Senate Bill (SB) 2660 Relating to Medical Coverage

I am Jeffrey A. Murray, Member of the Hawaii State Fire Council (SFC) and Fire Chief of the Maui County, Department of Fire and Public Safety (MFD). The SFC and the MFD support SB 2660, which proposes to provide fire fighters the presumption that cancer developed or manifested out of or in the course of employment.

Over the last decade, the fire profession experienced an increase in fire fighter deaths related to cancer. The University of Cincinnati and the National Institute for Occupational Safety and Health conducted studies as a result of the initial findings. They are the most comprehensive investigations into cancer-related diseases incurred by career fire fighters to date and support the initial findings.

A State of Hawaii (State) cancer taskforce performed an investigative study with assistance from medical insurance companies and found that fire fighters in the State are also experiencing elevated levels of exposure to the effects of cancer-related diseases, which correlate Hawaii's information with the national studies.

If passed, this bill will provide the fire fighter and their family with the financial and moral support they need during this crisis.

The SFC and the HFD urge your committees' passage of SB 2660 for the welfare of our fire fighters.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or Irogers@honolulu.gov.

Sincerely,

JEFFREY A. MURRAY

Fire Chief

Bernard P. Carvalho, Jr.

Mayor

Wallace G. Rezentes, Jr. Managing Director



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Robert F. Westerman

Fire Chief

Kilipaki K. F. Vaughan
Deputy Fire Chief

KAUA'I FIRE DEPARTMENT County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite 315, Līhu'e, Hawai'i 96766 TEL (808) 241-4980 FAX (808) 241-6508

February 20, 2018

The Honorable Donovan Dela Cruz, Chair Committee on Ways and Means The State Senate State Capitol, Room 208 Honolulu, Hawaii 96813



Dear Chair Dela Cruz:

Subject: Senate Bill (SB) 2660 Relating to Medical Coverage

I am Robert F Westerman, Vice Chair of the Hawaii State Fire Council (SFC) and Fire Chief of the Kauai Fire Department (KFD). The SFC and the KFD support SB 2660, which proposes to provide fire fighters the presumption that cancer developed or manifested out of or in the course of employment.

Over the last decade, the fire profession experienced an increase in fire fighter deaths related to cancer. The University of Cincinnati and the National Institute for Occupational Safety and Health conducted studies as a result of the initial findings. They are the most comprehensive investigations into cancer-related diseases incurred by career fire fighters to date and support the

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The Honorable Donovan Dela Cruz, Chair Page 2 February 20, 2018

The SFC and the KFD urge your committees' passage of SB 2660 for the welfare of our fire fighters.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or lrogers@honolulu.gov.

Sincerely,

Robert Westerman

Fire Chief, County of Kaua'i

RFW/dag

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THE SENATE THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2018

February 23, 2018

Committee Ways and Means

Testimony by Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO

S.B. No. 2660 RELATING TO MEDICAL COVERAGE

The Hawaii Fire Fighters Association (HFFA), Local 1463, IAFF, AFL-CIO represents more than 1,900 professional active-duty and 800 retired fire fighters throughout the State. On behalf of our members, HFFA <u>supports S.B. No. 2660</u> which improves access to comprehensive medical benefits (including care, services and supplies) for fire fighters who are diagnosed with cancer presumed to arise out of and in the course of five or more years of services/employment.

Thirty-seven states and nine Canadian provinces already have cancer presumptive laws that provide fire fighters with medical and service-connected disability benefits. Several studies, as recommended by the International Association of Fire Fighters (IAFF), serve as the basis that demonstrates the need for cancer presumptive legislation locally. These studies are consistent with other previous studies assessing the cancer risks in fire fighters associated with occupational exposure. As a stakeholder participating in the Cancer Presumption Task Force that convened in 2016 as a response to H.C.R. No. 32, H.D. 1, S.D. 1, HFFA is grateful that S. B. No. 2660 addresses the concerns of the fire service.

HFFA appreciates the Committee's favorable consideration of this measure and ask that you **pass S.B. No. 2660.** Thank you for the opportunity to testify.

<u>SB-2660</u> Submitted on: 2/21/2018 2:00:11 PM

Testimony for WAM on 2/23/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

<u>SB-2660</u> Submitted on: 2/22/2018 7:44:01 PM

Testimony for WAM on 2/23/2018 10:30:00 AM



Submitted By	Organization	l estitier Position	Present at Hearing
cathy wilson	Individual	Support	No

Comments: