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# A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION LAW.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 386-21.1, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "~~{}~~\$386-21.1~~{}~~ **Medical care, services, and supplies for**  
4 **controverted claims.** (a) In the event of a controverted claim,  
5 the injured employee's private health care plan shall by default  
6 pay for or provide medical care, services, and supplies in  
7 accordance with the private health care contract~~{}~~ pending the  
8 acceptance of the claim or determination of compensability.

9 ~~[When]~~ If the claim is accepted or determined to be compensable,  
10 the private health care plan may seek reimbursement from the  
11 employer who shall reimburse the private health care plan and  
12 the injured employee in amounts as authorized by this chapter  
13 and rules adopted by the director~~{}~~; provided that the injured  
14 employee shall be reimbursed for any out-of-pocket medical  
15 expenses, such as copayments, related to the injury; provided  
16 further that the private health care plan may also charge the  
17 employer an administration fee equal to three per cent of total



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1 amount paid by the private health care plan, to be paid to the  
2 private health care plan, if the investigation is not completed  
3 within thirty days. For the purposes of this subsection, a  
4 claim that is not accepted shall be deemed denied, regardless of  
5 any modifiers placed on the denial, such as denied pending  
6 investigation.

7 (b) Any private health care plan violating this section  
8 shall be fined \$10,000 or triple the amount of medical costs  
9 incurred by the injured employee during the time the claim is  
10 under investigation, whichever is greater."

11 SECTION 2. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

  
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JAN 17 2024



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**Report Title:**

Workers' Compensation; Controverted Claims; Penalty

**Description:**

Clarifies that with controverted claims, an injured employee's private health care plan must by default pay or provide medical care, services, and supplies pending acceptance of the claim or determination of compensability and may seek reimbursement from the employer if accepted or compensable. Establishes a penalty.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

2024-0231 HB HMSO-3

