

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS KA 'OIHANA PONO LIMAHANA

March 27, 2024

To: The Honorable Jarrett Keohokalole, Chair, The Honorable Carol Fukunaga, Vice Chair, and Members of the Senate Committee on Commerce & Consumer Protection

Date: Wednesday, March 27, 2024

Time: 9:30 a.m.

- Place: Conference Room 229, State Capitol
- From: Jade T. Butay, Director Department of Labor and Industrial Relations (DLIR)

Re: H.B. 1944 H.D.2 S.D.1 RELATING TO WORKERS' COMPENSATION

I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR supports** this proposal. HB1944 HD2 SD1 is intended to expedite the diagnosis and streamline medical treatment for serious injuries to the cervical or lumbar spine sustained by an employee while working by allowing magnetic resonance imaging (MRI) and consultation with an orthopedic or neurologic specialist without a treatment plan during the first sixty days after an injury. This bill seeks to add a new Section to Chapter 386, Hawaii Revised Statutes (HRS) entitled "Cervical and lumbar spinal injuries; treatment plan not required." This Act shall take effect on July 1, 2050.

II. CURRENT LAW

Section 386-21, HRS, states that the employer to provide to the employee so long as reasonably needed, all medical care, services and supplies as the nature of the injury requires.

The Workers' Compensation Medical Fee Schedule Section 12-15-32(a), Hawaii Administrative Rules (HAR), provides in part that frequency and extent of treatment shall not be more than the nature of the injury and the process of recovery requires. Authorization is not required for the initial fifteen treatments of the injury during the first sixty calendar days.

The Workers' Compensation Medical Fee Schedule Section 12-15-42(b), HAR, provides in part that when requesting consideration for consultation, the attending physician shall obtain permission from the employer prior to initiating such referral.

The reason for the consultation shall be submitted in writing to the employer at least seven calendar days prior to the referral.

The Workers' Compensation Medical Fee Schedule Section 12-15-54(a), HAR, taking of anterior-posterior (A-P), lateral, and oblique x-rays shall be discretionary for one hundred twenty days following the initial treatment and may be allowed without authorization. Prior authorization from the employer must be obtained for x-rays subsequent to the initial one hundred twenty days of treatment.

The Workers' Compensation Medical Fee Schedule Section 12-15-94(a), HAR, provides that the employer shall pay for all medical services which the nature of the compensable injury and the process of recovery require. The employer is not required to pay for care unrelated to the compensable injury.

III. COMMENTS ON THE HOUSE BILL

The DLIR supports this proposal to add a section to Chapter 386 to facilitate early diagnosis for cervical and lumbar spinal injuries in an effort to provide timely and effective treatment decisions.



Pauahi Tower, Suite 2010 1003 Bishop Street Honolulu, Hawaii 96813 Telephone (808) 525-5877

Alison H. Ueoka President

TESTIMONY OF MILIA LEONG

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

> Wednesday, March 27, 2024 9:30 a.m.

HB 1944, HD2, SD1

Chair Keohokalole, Vice Chair Fukunaga, and members of the Committee on Commerce and Consumer Protection, my name is Milia Leong, Executive Claims Administrator for HEMIC Insurance Managers, Inc. I am testifying today on behalf of Hawaii Insurers Council. The 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 forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **<u>supports</u>** this bill. This bill is a result of the Workers' Compensation Working Group that met during the interim and is comprised of various stakeholders in the system who are committed to streamlining the system and providing prompt medical care for injured workers.

The bill provides for an MRI without a treatment plan during the first sixty days after an injury under certain circumstances and one consultation with an orthopedic or neurologic specialist for the evaluation and treatment of the employee's injury.

We believe that early diagnosis in these cases where there are commonly seen injuries to the neck and back will lead to faster treatment and a faster return to work. This bill is a collaboration between health care providers, attorneys both defense and plaintiff, insurers, and injured worker advocates. We urge passage of this bill.

Thank you for the opportunity to testify.

HB-1944-SD-1

Submitted on: 3/26/2024 11:45:03 AM Testimony for CPN on 3/27/2024 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cathy Wilson	Testifying for WIMAH - Work Injury Medical Association of Hawaii	Support	Written Testimony Only

Comments:

Work Injury Medical Association of Hawaii is in STRONG support of this Bill being passesd.

HB-1944-SD-1

Submitted on: 3/25/2024 10:36:50 AM Testimony for CPN on 3/27/2024 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
FRANKLIN Ichiro IZUTA	Individual	Support	Written Testimony Only

Comments:

As a physician who only treats patients with work related injuries, the ability to have an acutely injured patient get a specialty consult without needing a treatment plan and prior authorization would be invaluable. The ability to involve a consultant early in the course of an injury can result in more favorable outcomes by preventing the sequelae often seen with delayed treatment of a serious condition. Expediting the ability to obtain a specialist's opinion will enable the appropriate, diagnosis specific treatment to be implemented soon after an injury. This will result in a more rapid recovery, improve functional outcomes, diminish the level of impairment and enable the injured employee to return to work with minimal delay.

HB-1944-SD-1

Submitted on: 3/25/2024 7:22:50 PM Testimony for CPN on 3/27/2024 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kyle Cabison	Individual	Support	Written Testimony Only

Comments:

As a primary treating provider, I have seen first-hand how delays in diagnosis and treatment can cause permanent, irreparable harm to patients waiting for treatment plan approvals. Without getting into the plethora of specific diagnoses, many injuries require prompt diagnosis and intervention. The current worker's compensation system fails the patients with these types of injuries. Speeding up the bureaucratic delays will help many patients get the treatment they need to heal and return to work.