

H.B. NO. 2323

A BILL FOR AN ACT

RELATING TO THE WORKERS' COMPENSATION LAW.

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

1 SECTION 1. Section 386-21, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:
3
4 " (d) The director, with input from stakeholders in the
5 workers' compensation system, including but not limited to
6 insurers, health care providers, employers, and employees, shall
7 establish standardized forms for health care providers to use
8 when reporting on and billing for injuries compensable under
9 this chapter. ~~The forms may be in triplicate, or in any other~~
10 ~~configuration so as to minimize, to the extent practicable, the~~
11 ~~need for a health care provider to fill out multiple forms~~
12 ~~describing the same workers' compensation case to the~~
13 ~~department, the injured employee's employer, and the employer's~~
14 ~~insurer].~~"

14 SECTION 2. Section 386-21.2, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "[§] 386-21.2[§] Treatment plans. [(a) A physician may
17 transmit a treatment plan to an employer by mail or facsimile;

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1 provided that the physician shall send the treatment plan to an
2 address or facsimile number provided by the employer.

3 ~~(b) Beginning January 1, 2021, an]~~ (a) An employer shall
4 allow a physician to transmit a treatment plan to an employer by
5 mail, facsimile, or secure electronic means; provided that the
6 physician shall send the treatment plan to an address or
7 facsimile number provided by the employer.

8 ~~(+)~~ (b) A treatment plan shall be deemed received by an
9 employer when the plan is ~~[sent by mail or facsimile]~~
10 transmitted with reasonable evidence showing that the treatment
11 plan was received.

12 ~~(+)~~ (c) A treatment plan shall be deemed accepted if an
13 employer fails to file with the director:

14 (1) An objection to the treatment plan;
15 (2) Any applicable documentary evidence supporting the
16 denial; and
17 (3) A copy of the denied treatment plan,
18 copying the physician and the injured employee.

19 ~~(+)~~ (d) After acceptance of the treatment plan, an
20 employer may file an objection to the plan if new documentary
21 evidence supporting the denial is received by the employer."

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1 SECTION 3. Section 386-25, Hawaii Revised Statutes, is
2 amended by amending subsection (g) to read as follows:

3 " (g) The employer shall have ten calendar days from [the
4 ~~postmark date on which the plan was mailed~~] the receipt of the
5 plan to submit in writing to the director any objections to the
6 plan. A treatment plan shall be deemed received by an employer
7 when the plan is transmitted with reasonable evidence showing
8 that the plan was received."

9 SECTION 4. Section 386-95, Hawaii Revised Statutes, is
10 amended to read as follows:

11 **"§386-95 Reports of injuries, other reports, penalty.**
12 Every employer shall keep a record of all injuries, fatal or
13 otherwise, received by the employer's employees in the course of
14 their employment, when known to the employer or brought to the
15 employer's attention.

16 Within seven working days after the employer has knowledge
17 of such injury causing absence from work for one day or more or
18 requiring medical treatment beyond ordinary first aid, the
19 employer shall make a report thereon to the director. The
20 report shall set forth the name, address, and nature of the
21 employer's business and the name, age, sex, wages, and
22 occupation of the injured employee and shall state the date and

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1 hour of the accident, if the injury is produced thereby, the
2 nature and cause of the injury, and such other information as
3 the director may require.

4 By January 31 of each year, the employer shall file with
5 the director a report with respect to each injury on which the
6 employer is continuing to pay compensation, showing all amounts
7 paid by the employer on account of the injury.

8 The reports required by this section shall be [made on
9 ~~forms to be obtained from the director pursuant to section 386-~~
10 ~~71 and deposit of reports in the United States mail or]~~
11 submitted by electronic means as approved by the director [
12 ~~addressed to the director,~~]. Reports submitted within the time
13 specified shall be deemed in compliance with the requirements of
14 this section.

15 When an injury results in immediate death, the employer
16 shall within forty-eight hours notify personally or by telephone
17 a representative of the department in the county where the
18 injury occurred.

19 Within thirty days after final payment of compensation for
20 an injury, the employer shall file a final report with the
21 director showing the total payments made, the date of

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1 termination of temporary total disability, and such other
2 information as the director may require.

3 Any employer who willfully refuses or neglects to file any
4 of the reports or give any notice required by this section shall
5 be fined by the director not more than \$5,000.

6 Copies of all reports, other than those of fatal injuries,
7 filed with the director as required by this section shall be
8 sent to the injured employee by the employer."

9 SECTION 5. Section 386-96, Hawaii Revised Statutes, is
10 amended by amending subsection (e) to read as follows:

11 "(e) [Deposit] Submission of the records required by
12 subsection (a) (1) [~~in the United States mail or~~] by electronic
13 means as approved by the director, [~~addressed to the director~~
14 ~~and to the employer,~~] within the time limit specified, shall be
15 deemed in compliance with the requirements of this section."

16 SECTION 6. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY:

Makia K. Parker

21

BY REQUEST

JAN 26 2026

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Report Title:

Workers' Compensation; Disability Compensation Division;
Modernization of Data System; Electronic Submission of Reports

Description:

Repeals the requirement that health care providers' forms be filed with the Director of Labor and Industrial Relations (DLIR) in triplicate. Clarifies the way a physician transmits a treatment plan to an employer. Repeals a reference to the employer's receipt of a vocational rehabilitation plan by mail. Repeals the option of employers to submit reports to the DLIR via United States mail. Repeals the option of health care providers to provide reports to the DLIR or employer via mail.

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

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JUSTIFICATION SHEET

DEPARTMENT: Labor and Industrial Relations

TITLE: A BILL FOR AN ACT RELATING TO THE WORKERS' COMPENSATION LAW.

PURPOSE: To update the filing and reporting requirements under the Workers' Compensation Law to accommodate implementation of the automated electronic filing and reporting system.

MEANS: Amend sections 386-21(d), 386-21.2, 386-25(g), 386-95, and 386-96(e), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The Department's Disability Compensation Division (DCD) has implemented a fully automated, cloud-based system that enables comprehensive access and real-time claim status updates. To fulfil DCD's mission of delivering timely, fair, and efficient services to Hawaii's injured workers and their employers, it is essential to move toward electronic filing for all documents.

This transition is not merely a technological update but a strategic step that reinforces DCD's commitment to accessibility, accountability, and operational efficiency. Mandatory electronic filing for employers would enable real-time access and accelerate the processing of workers' compensation claims, ensuring prompt delivery of medical services and benefits. The automated system went live in January 2024.

Impact on the public: The automated system and updates made by this bill will simplify and expedite the workers' compensation process for employees and employers.

Impact on the department and other agencies: Government human resource agencies, acting as employers, will benefit from faster and

more efficient claim processing through
streamlined electronic workflows.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: LBR183.

OTHER AFFECTED
AGENCIES: Department of Human Resources Development;
Department of Education;
Department of Hawaiian Home Lands;
Office of Hawaiian Affairs;
The University of Hawaii System;
Hawaii State Judiciary;
Hawaii State Legislature;
Hawaii County;
Kauai County;
Maui County; and
City and County of Honolulu.

EFFECTIVE DATE: Upon approval.