

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

March 23, 2026

To: The Honorable Brandon J.C. Elefante, Chair,  
The Honorable Rachele Lamosao, Vice Chair, and  
Members of the Senate Committee on Labor & Technology

Date: Monday, March 23, 2026  
Time: 3:01 p.m.  
Place: Conference Room 225, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**RE: H.B. 1515 HD2 RELATING TO WORKERS' COMPENSATION**

**I. OVERVIEW OF PROPOSED LEGISLATION**

The **DLIR strongly supports** this measure to ensure timely and accurate evaluations of an injured worker's physical capabilities by streamlining the approval process for functional capacity examinations.

HB1515 HD2 proposes to amend HRS Chapter 386 by:

- Adding a new section authorizing an attending physician to request or refer an employee to a functional capacity examination (FCE) without prior authorization when an injured employee has reached medical stabilization and is permanently unable to return to their usual and customary employment.
- Amending §386-1 by including in the definition of "health care provider" licensed occupational therapists and physical therapists qualified under §386-27 to perform FCEs pursuant to the newly added section of Chapter 386.

**II. CURRENT LAW**

§386-1 defines "Health care provider" as a person qualified by the director to render health care and service and who has a license for the practice of:

- (1) Medicine or osteopathy under chapter 453;
- (2) Dentistry under chapter 448;
- (3) Chiropractic under chapter 442;
- (4) Naturopathic medicine under chapter 455;
- (5) Optometry under chapter 459;
- (6) Podiatry under chapter 463E;
- (7) Psychology under chapter 465; and

(8) Advanced practice registered nurse under chapter 457.

§386-21 *Medical care, services, and supplies* subsection (a) states that immediately after a work injury is sustained by an employee, and so long as reasonably needed, the employer shall furnish to the employee all medical care, services, and supplies as the nature of the injury requires.

§386-27 *Qualification and duties of health care providers* subsection (a) sets out the qualifications required for providing health care services to workers' compensation claimants, specifying that providers must be licensed under the applicable chapters of the HRS.

### **III. COMMENTS ON THE HOUSE BILL**

The DLIR supports this measure, which promotes timely and accurate assessments of an injured worker's physical abilities. FCEs use a series of standardized tests to evaluate an individual's ability to perform work-related tasks. The results help determine whether an employee can return to work with or without accommodation and may also guide employers in identifying job duties the employee should avoid while recovering. These guidelines help prevent re-injury and support an injured worker's safe and timely return to full-duty work once medically able.

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**JOSH GREEN, M. D.**  
GOVERNOR  
KE KIA'ĀINA

**SYLVIA LUKE**  
LT. GOVERNOR  
KA HOPE KIA'ĀINA

**BRENN A H. HASHIMOTO**  
DIRECTOR  
KA LUNA HO'OKELE

**BRIAN K. FURUTO**  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
**KA 'OIHANA HO'OMŌHALA LIMAHANA**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

Statement of  
**BRENN A H. HASHIMOTO**  
Director, Department of Human Resources Development

Before the  
**SENATE COMMITTEE ON LABOR AND TECHNOLOGY**  
Monday, March 23, 2026  
3:01PM  
State Capitol, Conference Room 225

In consideration of  
**HB1515 HD2, RELATING TO WORKERS' COMPENSATION**

Chair Elefante, Vice Chair Lamosao, and members of the committee:

The Department of Human Resources Development (HRD) is in **support** of HB1515 HD2. The purpose of HB1515 HD2 is to:

- Authorize an attending physician to request a functional capacity examination and refer an injured employee for the examination without first obtaining permission from the employee's employer in order to assess the employee's ability to return to work.
- Allow licensed occupational and physical therapists to be deemed qualified to perform functional capacity exams.

As a self-insured employer that provides direct job search assistance and regularly utilizes functional capacity examinations (FCE) to assess an injured worker's ability to return to work, HRD appreciates and supports the intent of the measure. FCEs can provide valuable medical information to objectively determine an employee's physical skills, functional capabilities, activity endurance, and work tolerances after reaching medical stabilization in a timely manner at the appropriate stage of a workers' compensation process.

We are available to answer any questions or provide further information as needed.

## TESTIMONY OF MILIA LEONG

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COMMITTEE ON LABOR AND TECHNOLOGY  
Senator Brandon J.C. Elefante, Chair  
Senator Rachele Lamosao, Vice Chair

Monday, March 23, 2026  
3:01 p.m.

### **HB 1515, HD2**

Chair Elefante, Vice Chair Lamosao, and members of the Committee on Labor and Technology, my name is Milia Leong, Executive Claims Administrator for HEMIC Insurance Managers, Inc., and Chair of the Workers' Compensation Policy Committee for 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 **supports** this bill. As a part of a House Workers' Compensation Working Group comprised of stakeholders in the system including the Department, treating physicians, providers, plaintiff and defense attorneys, and insurers, this bill is a result of that collaboration.

This bill will streamline the process for functional capacity examinations with automatic approval when requested by the attending physician under certain conditions. As a result, this bill would reduce unnecessary delays and improve outcomes for injured workers.

Thank you for the opportunity to testify.



The Senate Committee on Labor and Technology

March 23, 2026

Room 225

3:01 PM

RE: **HB 1515 HD2, Relating to Workers' Compensation**

Attention: Chair Brandon J.C. Elefante, Vice Chair Rachele Lamosao, Members of the Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **supports HB 1515 HD2.**

We believe this measure is necessary to remove administrative bottlenecks that currently delay the medical assessment of injured workers. UHPA specifically supports the provision that empowers attending physicians to order a Functional Capacity Examination without first obtaining permission from the employer. Streamlining this process ensures that medical assessments are driven by clinical needs rather than bureaucratic approvals. This change will reduce the financial and emotional strain on injured faculty members and accelerate their ability to return to the university safely.

**UHPA supports the passage of HB 1515 HD2.**

Respectfully submitted,

Christian L. Fern  
Executive Director  
University of Hawaii Professional Assembly

University of Hawaii  
Professional Assembly

1017 Palm Drive ♦ Honolulu, Hawaii 96814-1928  
Telephone: (808) 593-2157 ♦ Facsimile: (808) 593-2160  
Website: [www.uhpa.org](http://www.uhpa.org)



## Hawaii Medical Association

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### SENATE COMMITTEE ON LABOR AND TECHNOLOGY

Senator Brandon J.C. Elefante, Chair  
Senator Rachele Lamosao, Vice Chair

Date: March 23, 2026

From: Hawaii Medical Association (HMA)

Elizabeth Ann Ignacio MD - Chair, HMA Public Policy Committee

Christina Marzo MD and Robert Carlisle MD, Vice Chairs, HMA Public Policy Committee

**RE HB1515 HD2** RELATING TO WORKERS' COMPENSATION. Workers' Compensation; Functional Capacity Examination; Occupational Therapy; Physical Therapy

**Position: Support**

This measure would authorize an attending physician to request a functional capacity examination (FCE) and refer an injured employee for the examination without first obtaining permission from the employee's employer and allow licensed occupational and physical therapists to be deemed qualified to perform functional capacity examinations. Effective 7/1/3000. (HD2)

The FCE is a set of tests that are used to identify the patient's physical skills, functional capabilities, activity endurance, and work tolerances, typically administered by a trained and licensed provider such as an occupational therapist or physical therapist. Employers understand well the importance of prompt evaluation as the FCE informs the clinical care team of possible diagnoses/ treatments and recovery. Additionally, the FCE will provide an objective assessment that assists with future job modifications and the safe gradual transition back to work, decreasing risks for reinjury or long-term disability.

Elimination of employer permission for FCE when requested by a physician is a reasonable step in decreasing unnecessary and harmful delays for patients and the future planning of their safe return to work. HMA supports this measure that will allow prompt and safe FCE evaluation of Hawaii patients by a trained and licensed provider with work related illness or injury.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

#### 2026 Hawaii Medical Association Public Policy Coordination Team

Elizabeth A Ignacio, MD, Chair • Robert Carlisle, MD, Vice Chair • Christina Marzo, MD, Vice Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

#### 2026 Hawaii Medical Association Officers

Nadine Tenn-Salle, MD, President • Jerald Garcia, MD, President Elect • Elizabeth Ann Ignacio, MD, • Immediate Past President  
Laeton Pang, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

## REFERENCES AND QUICK LINKS

State of Hawaii. [Disability Compensation Division](#). About Workers' Compensation (WC). Accessed February 4, 2026.

Yorton S. Lawmaker Posts Rare Win For Injured Workers — And Pushes For More. [Honolulu Civil Beat. July 31 2024](#). Accessed February 4, 2026.

Matayoshi CC. How to get worker's comp for work-related injury, illness. KHON.com. Apr 8, 2024. Accessed February 4, 2026.

U.S. Department of Interior. Office of the Secretary. Return to work (limited light duty, alternative work assignments and modified permanent job offers) handbook. April 18, 2023. Accessed February 4, 2026.

### **2024 Hawaii Medical Association Officers**

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President  
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

### **2024 Hawaii Medical Association Public Policy Coordination Team**

Beth England, MD, Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director



Senate Committee on Labor and Technology  
Senator Brandon Elefante, Chair  
Senator Rachele Lamosao, Vice Chair

Monday, March 23, 2026, at 3:01 PM

**RE: HB 1515, HD2, Relating to Workers' Compensation**

Chair Elefante, Vice Chair Lamosao, and Members of the Committee:

**The Society for Human Resource Management – Hawaii (“SHRM Hawaii”) respectfully opposes HB 1515, HD2, Relating to Workers’ Compensation.** This bill authorizes an attending physician to request a functional capacity examination and refer an injured employee for the examination without first obtaining permission from the employee's employer in order to assess the employee's ability to return to work.

While we understand the intent of HB 1515, HD2, is to streamline the return-to-work process, we respectfully oppose the measure because it removes an important layer of coordination and balance. Authorizing an attending physician to request a functional capacity examination (FCE) and refer an injured employee for that examination without first obtaining employer input bypasses the collaborative framework that currently exists among employers, insurers, and medical providers. Employers are often responsible for coordinating modified duty, evaluating job requirements, and managing workers’ compensation claims. Removing their opportunity to participate in decisions that directly affect return-to-work determinations may lead to misalignment between medical assessments and actual workplace conditions, increased disputes, and unnecessary costs.

Additionally, expanding the categories of providers deemed qualified to perform FCEs, without corresponding safeguards to ensure consistency and standardization, may create variability in assessments that can complicate claims management and return-to-work planning. Policies governing workplace injury and rehabilitation function best when they encourage transparency, communication, and shared decision-making.

Thank you for this opportunity to provide testimony.

Erin Kogen and Maggie Batangan  
Co-chairs, SHRM Hawaii Legislative Affairs Committee



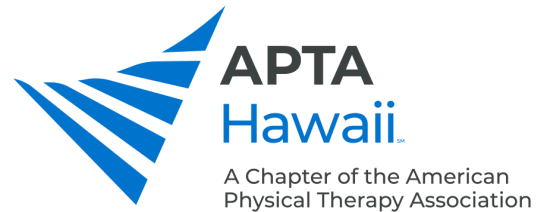
SHRM Hawaii, P. O. Box 3175, Honolulu, Hawaii (808) 447-1840

The Thirty-Third Legislature Regular Session of 2026

Position: Support HB 1515 HD2

Senator Brandon J.C Elefante, Chair

Senator Rachel Lamosao, Vice Chair



My name is Cody Maltezo, PT, DPT, and I am a member of APTA Hawaii Legislative Committee, the American Physical Therapy Association – Hawaii, and I am testifying on behalf of APTA Hawaii. We represent the profession of physical therapy in Hawaii and provide care across the continuum, managing musculoskeletal and neuromuscular health for individuals of all ages and activity levels.

APTA Hawaii strongly supports HB 1515 HD1. Physical therapists are among the primary providers who perform Functional Capacity Examinations (FCEs) and are uniquely trained to assess physical function and work capacity.

In the current workers' compensation system, injured workers often remain in care for prolonged periods while awaiting authorization for necessary services such as FCEs. These delays slow FCE scheduling and extend uncertainty around work status, which can delay safe return to work and vocational rehabilitation. HB 1515 HD1 would allow faster access to FCEs by permitting the attending physician to order an FCE without prior employer approval once the worker has reached medical stabilization and cannot return to their usual and customary employment.

The bill's definition of an FCE emphasizes physical skills, functional capabilities, activity endurance, and work tolerances—areas in which physical therapists receive extensive education and clinical training. Physical therapists can provide objective, function-based data to inform decisions about impairment, work restrictions, and the need for accommodations. This information is critical for safe return-to-work planning and for determining when modified duty, workplace accommodations, or formal vocational rehabilitation are indicated.

By improving timely access to FCEs and recognizing physical therapists as qualified providers for these examinations, HB 1515 HD1 supports:

- Earlier, clearer determination of work capacity.
- Safer modified duty and accommodation planning.
- More efficient progression to vocational rehabilitation when full-duty return is not possible.

We respectfully suggest one amendment for consideration: allow FCEs to be ordered at or after medical stabilization whenever work capacity is in question, rather than only after a determination that the worker is “permanently unable to return to usual and customary employment.” This would enable earlier, function-based decision-making and may help reduce prolonged disability and associated costs.

APTA Hawaii appreciates your consideration and your support of HB 1515 HD1. Please feel free to contact Dr. Douglas White at (808) 796-3221 with any questions. Thank you for the opportunity to testify.

Respectfully submitted,

Cody Maltezo, PT, DPT  
Orthopedic Physical Therapy Resident

(800) 554-5569 x113 • [www.aptahawaii.org](http://www.aptahawaii.org)

**HB-1515-HD-2**

Submitted on: 3/20/2026 2:50:54 PM

Testimony for LBT on 3/23/2026 3:01:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nancy Monden	Individual	Comments	Written Testimony Only

Comments:

The functional capacity without authorization needs to be limited once a year. There are not many instances this would be ordered more than once during a claim but it maybe required.

To: Senator Brandon J.C. Elefante, Chair  
Senator Rachele Lamosao, Vice Chair  
Committee on Labor and Technology

From: Veronica Moore, Individual Citizen

Date: March 22, 2026

RE: House Bill 1515 HD2  
Measure Title: RELATING TO WORKERS' COMPENSATION.  
Report Title: Workers' Compensation; Functional Capacity Examination;  
Occupational Therapy; Physical Therapy

To All Concerned,

My name is Veronica Moore and I support House Bill 1515 HD2. Your consideration is appreciated.

Sincerely,

Veronica M. Moore