

# Workers Compensation Benefit Overview – Hawaii

Major Developments: Last major legislation in 2004 (SB899), affected indemnity rates, disability rating, medical treatment, medical-legal disputes, penalties, and apportionment. 2007 legislation affects caps on TD and post-surgical treatments.

## Indemnity Issues

<p>Temporary Total Benefits</p>	<p>Waiting period: first three calendar days            Payment: Weekly benefit subject to sixty-six and two-thirds per cent of the employee's average weekly wages            Min: (2009) \$182.00            Max: (2009) \$725.00            Unlimited Benefits: Termination upon order of Director or if the employee is able to resume work (HRS 386-31:b)</p>
<p>Temporary Partial Benefits</p>	<p>Waiting period: n/a            Payment: Weekly benefit subject to sixty-six and two-thirds per cent of the difference between the employee's average weekly wages before the injury and employee's weekly earning thereafter.            Min: (2009) \$182.00            Max: (2009) \$725.00            No limit on this benefits</p>
<p>Permanent Partial Benefits</p>	<p>Calculation: Multiplying the effective year maximum weekly benefit rate by the number of weeks for the specific the disability by the percentage of disability (AMA Guide 5<sup>th</sup> edition)</p>
<p>Permanent Total Benefits</p>	<p>Waiting period: No adjudication of permanent total benefits shall be made until after two weeks from the date of the injury            Min: (2009) \$182.00            Max: (2009) \$725.00            Payment: Weekly benefit subject to sixty-six and two-thirds per cent of the employee's average weekly wages</p>
<p>Fatality Benefits</p>	<p>Funeral allowance: Payment not to exceed ten times the maximum weekly benefit rate.            Burial allowance: Payment not to exceed five times the maximum weekly benefit rate.            Weekly benefits for dependents: Various percentages of deceased's average weekly wages subject to maximum and minimum weekly benefit rate divided by .6667            No dependents: Payment equal to twenty –five per cent of three hundred and twelve times the effective maximum weekly benefit rate.</p>

Vocational Rehabilitation	Within one hundred twenty days from the date of injury based on physician reports or other information, the Employer shall provide information on the employee's rights to vocational rehabilitation, instructions on how to select a vocational rehabilitation provider, an employee selection form and a list of current certified vocational rehabilitation counselors to the employee. Employee has thirty days from the date the Employer provides the information to the employee to make a selection.
Settlement Allowed	Yes. Settlement is allowed if employee is at maximum medical improvement and there is a permanent partial disability rating.
Cap on benefits, exceptions	None

### Medical Issues

Initial Choice of Provider	Employee choice state. Whenever medical care is needed, the injured employee may select any physician or surgeon who is practicing on the island where the injury was incurred to render such care. If the services of a specialist are indicated, the employee may select any such physician or surgeon practicing in the State. The director may authorize the selection of a specialist practicing outside the State where no comparable medical attendance within the State is available.
Change of Provider	If for any reason during the period when medical care is needed, the employee wishes to change to another physician or surgeon, he may do so in accordance with rules prescribed by the director. If the employee is unable to select a physician or surgeon and the emergency nature of the injury requires immediate medical attendance, or if he does not desire to select a physician or surgeon and so advises the employer, the employer shall select the physician or surgeon. Such selection, however, shall not deprive the employee of his right of subsequently selecting a physician or surgeon for continuance of needed medical care.
Medical Fee Schedule	Medical fee schedule first authorized in 1961. Effective in 1995, fee for services are not to exceed 110 percent of the state's Medicare Resource Based Relative Value Scale for Hawaii. Hospital charges paid at the Medicare rate plus ten percent. Prescription drugs charges reimbursed at average wholesale price plus 40% plus a dispensing fee.
Managed Care	No explicit managed care program in effect. A managed care arrangement may be implemented by an employer/insurer so long as it does not interfere with the employee's right to select a treating provider.
Utilization Review	No explicit utilization review regulations in place.
Medical Mileage Reimbursement Rate	The current medical mileage reimbursement rate, effective <b>1/1/09</b> , is <b>55</b> cents per mile.

Network Information	The Network Contact for California is <b><u>Theresa Taylor (909-612-3055)</u></b> . <a href="mailto:TTAYLOR1@travelers.com">TTAYLOR1@travelers.com</a> .
Ability to Terminate Medical Treatment	The employer can terminate medical treatment upon a finding by the treating or medical-legal physician that no further treatment is reasonably necessary. Awards for ongoing or future medical treatment require a finding by the Workers Compensation Appeals Judge or Board before liability for medical treatment can be terminated.
Settlement Allowed	Parties can settle all medical issues without trial, but every settlement requires approval by a Workers Compensation Judge or Board. These usually consist of a Stipulations With Request for Award (Stip), or a Compromise and Release (C&R). A Stip may be reopened within 5 years from the date of injury for new and further disability, but a C&R, or lump sum settlement, cannot be reopened for new and further disability.
Cap on benefits, exceptions	For injuries on or after 1/1/04, chiropractic, occupational, and physical therapy visits are held to 24 each unless the administrator agrees to exceed this cap. Effective 1/1/08, these caps do not apply for post-surgical cases, providing the treatment is in accordance with the post-surgical treatment utilization guidelines established by the Administrative Director. Beyond this, medical benefits can be awarded for life but must be reasonably necessary and in accordance to ACOEM or other evidence-based, nationally recognized guidelines. Where the claim is delayed for the purposes of compensability determination, medical treatment must still be provided until either the claim is denied or a total of \$10,000.00 in medical expenditures is reached, whichever occurs first.

## Other Issues

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Hearings require attorney or claim handler participation	The claim handler can represent the employer at the initial Administrative Hearing level. Appeals require attorney representation.



Occupational Diseases	Handled same as injury claims.
Second Injury Fund availability	Yes
Other Offset Opportunities	e.g., apportionment, contribution, etc.

State workers compensation website link: <http://hawaii.gov/labor/>

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