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NCOIL URGES STATES TO PROTECT CONFIDENTIALITY OF WORKERS' COMP INFO

Santa Fe, NM, November 20, 2011—Insurance legislators today called on fellow state policymakers to protect the privacy of employers' workers' compensation insurance information submitted to state agencies. Legislators took action here at the 2011 Annual Meeting by unanimously adopting a *Resolution Regarding Workers' Compensation Proof of Coverage Requirements*.

Following Executive Committee approval of the resolution this morning, NCOIL President Sen. Carroll Leavell (NM), said:

State laws requiring employers, carriers, and agents to submit detailed information to regulators to satisfy workers' compensation coverage rules serve a valuable purpose. We've heard, however, that some are using our open records laws to access this detailed policy information and generate business leads for financial gain. Open records laws are designed to promote government transparency and not to harm, financially or otherwise, those that are obligated by law to provide their government with records.

The resolution, among other things, calls on policymakers to ensure that all insurance policy and related proof of coverage information submitted to state agencies—except the name and location of the insured and name of the workers' compensation insurer—is protected and recognized as confidential under state open records laws.

It adds that releasing such highly confidential and proprietary information wasn't contemplated by policymakers, serves no public policy purpose, and causes unnecessary competitive harm on the insurers and insurance agents who are obligated to submit these records.

The Executive Committee took action this morning just two days after the Workers' Compensation Insurance Committee approved the resolution, which was sponsored for discussion by Committee Chair Rep. William Sandifer, III (SC). On Friday, Committee members approved two amendments sponsored for discussion by Vice Chair Rep. Steve Riggs (KY) that recognize the legitimate public policy reasons to verify an employer's workers' compensation coverage and identify the type of information that should remain accessible.

The resolution satisfies a 2011 Workers' Compensation Insurance Committee charge to develop a position on the confidentiality of proof of coverage information.

The Annual Meeting was held at the Eldorado Hotel & Spa.

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

For further details or to be added to an e-mail list for upcoming conference call information, please contact the NCOIL National Office at 518-687-0178 or by email at jestey@ncoil.org.

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