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BILL ANALYSIS

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Senate Fiscal Agency

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Senate Bill 240

Sponsor: Senator Frederick Dillingham

Committee: Human Resources and Senior Citizens

Date Completed: 3-14-89

SUMMARY OF SENATE BILL 240 as introduced 3-9-89:

The bill would amend the Worker's Disability Compensation Act to provide for the confidentiality of, and create an exemption from the Freedom of Information Act for, records submitted by an employer to the Bureau of Worker's Compensation in support of the employer's application for self-insured status, and information concerning the injury of and benefits paid to a worker, including forms, records, and reports filed with or kept by the Bureau of Worker's Compensation and the Bureau of Safety Regulation. The bill also would:

- Specify circumstances under which confidential records could be released.
- Provide that confidentiality would be waived by an employee with respect to any employer named by the employee in an application for mediation or hearing.
- Specify that the bill could not be construed to limit or restrict the right of an employee or an employer to have access to records maintained by the Bureau of Worker's Compensation concerning that employee or employer.

An employer's self-insurance application records, and an employee's injury and benefits records, could be released, disclosed, or published if the employer or the employee, as applicable, gave the Bureau of Worker's Compensation a statement of permission to release the information to named individuals or to the public in general. In the case of either employer or employee records, the Bureau of Worker's Compensation and Bureau of Safety and Regulation could disclose or publish aggregate information for statistical or research purposes as long as they disclosed or published in a way that protected the confidentiality of individual records. The Bureaus also could release individual records to an outside individual or agency for research purposes if they were given sufficient assurance that the outside individual or agency would preserve the confidentiality of individual records.

Further, in the case of employee injury and benefit records, the Bureaus could release information to another governmental agency if the agency gave sufficient assurance that it would preserve the confidentiality of the information. A Bureau or another agency could disclose the information if it determined that

the individual was receiving benefits to which he or she was not entitled as the result of receiving more than one benefit at the same time.

The confidentiality provided for in the bill would not apply to any items that became part of the record of a formal hearing held before the Director of the Bureau of Worker's Compensation, the Board of Magistrates, the Worker's Compensation Appeal Board, or the Worker's Compensation Appellate Commission.

Proposed MCL 418.230

Legislative Analyst: S. Margules

FISCAL IMPACT

There would be no fiscal impact on the State or local governmental units.

Fiscal Analyst: K. Lindquist

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.