

HOUSE BILL No. 4619

March 21, 1991, Introduced by Reps. Profit, Munsell, Brown, DeMars and Palamara and referred to the Committee on Labor.

A bill to amend section 230 of Act No. 317 of the Public Acts of 1969, entitled as amended

"Worker's disability compensation act of 1969,"

as amended by Act No. 157 of the Public Acts of 1990, being section 418.230 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 230 of Act No. 317 of the Public Acts of
2 1969, as amended by Act No. 157 of the Public Acts of 1990, being
3 section 418.230 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 230. (1) Except as otherwise provided in this section,
6 the following records are confidential and exempt from disclosure
7 under the freedom of information act, Act No. 442 of the Public
8 Acts of 1976, being sections 15.231 to 15.246 of the Michigan
9 Compiled Laws:

1 (a) Records submitted by an employer to the bureau in
2 support of its application for self-insured status.

3 (b) Information concerning the injury of and benefits paid
4 to an individual worker ~~— This includes —~~ INCLUDING, but ~~is~~
5 not limited to, all forms, records, and reports filed with or
6 maintained by the bureau or the state accident fund concerning
7 the injury of or benefits paid to a worker.

8 (c) Financial information submitted to the state accident
9 fund by an applicant for insurance or a policyholder pursuant to
10 section 735 and reports, except audit reports, created by the
11 state accident fund from this information, and reimbursement or
12 settlement procedures, tables, manuals, or schedules maintained
13 by the state accident fund.

14 (2) The bureau or the state accident fund may release, dis-
15 close, or publish information described in subsection (1) under
16 the following circumstances:

17 (a) In the case of subsection (1)(a) or (1)(b), the bureau
18 or the state accident fund may disclose or publish aggregate
19 information for statistical or research purposes so long as it is
20 disclosed or published in such a way that the confidentiality of
21 information concerning individual workers and the financial
22 records of individual self-insured employers is protected. The
23 bureau or the state accident fund may also release individual
24 records to a recognized academic or scholarly institution for
25 research purposes if it is provided with sufficient assurance
26 that the outside individual or agency will preserve the

1 confidentiality of information concerning individual workers and
2 the financial records of individual self-insured employers.

3 (b) In the case of subsection (1)(b), the bureau or the
4 state accident fund may release information to another governmen-
5 tal agency if the governmental agency provides the bureau or the
6 state accident fund with sufficient assurance that it will pre-
7 serve the confidentiality of the information. The other agency
8 may use this information to determine the eligibility of an indi-
9 vidual for benefits provided or regulated by that agency. The
10 bureau, the state accident fund, or another agency may disclose
11 the information if it determines that the individual is receiving
12 benefits to which he or she is not entitled as the result of
13 receiving more than 1 benefit at the same time.

14 (c) Except as otherwise provided, information disclosed in
15 accordance with subdivision (a) or (b) shall continue to be
16 exempt from disclosure under the freedom of information act, Act
17 No. 442 of the Public Acts of 1976.

18 (d) In the case of subsection (1)(b), the bureau or the
19 state accident fund may release individual records to a nonprofit
20 health care corporation, as defined in section 105 of Act No. 350
21 of the Public Acts of 1980, being section 550.1105 of the
22 Michigan Compiled Laws, for the sole purpose of determining
23 financial liability for the payment of benefits provided by the
24 corporation. Any information provided to the nonprofit health
25 care corporation shall be confidential, as provided in section
26 406 of Act No. 350 of the Public Acts of 1980, being section
27 550.1406 of the Michigan Compiled Laws. In a dispute over who

1 assumes liability for the payment of benefits for a particular
2 claim, the nonprofit health care corporation shall initiate pay-
3 ment of benefits pending resolution of the dispute.

4 (3) The confidentiality provided for in subsection (1)
5 ~~shall~~ DOES not apply to records maintained by the bureau
6 ~~which~~ THAT are part of or directly related to a contested
7 case. For the purposes of this subsection, a matter ~~shall be~~
8 IS considered a contested case when it is the subject of a
9 request for a formal hearing before the director or an applica-
10 tion filed in accordance with section 847.

11 (4) Any employee ~~shall be~~ IS entitled to inspect and
12 obtain a copy of any record maintained by the bureau or the state
13 accident fund concerning himself or herself. Any employer ~~shall~~
14 ~~be~~ IS entitled to inspect and obtain a copy of any record main-
15 tained by the bureau or the state accident fund concerning
16 itself.

17 (5) The confidentiality provided for in subsection (1)(a)
18 ~~shall~~ DOES not apply to the records of a self-insured employer
19 that becomes unable to pay benefits under this act due to insol-
20 vency or declaration of bankruptcy.

21 (6) This section ~~shall~~ DOES not limit the power of a court
22 of law to subpoena records relevant to a matter pending before
23 it.

24 (7) UPON WRITTEN REQUEST, THE BUREAU OR THE STATE ACCIDENT
25 FUND SHALL DISCLOSE RECORDS OR INFORMATION DESCRIBED IN THIS SEC-
26 TION TO 1 OR MORE OF THE FOLLOWING:

(A) THE DEPARTMENT OF TREASURY.

(B) THE DEPARTMENT OF LABOR, BUREAU OF EMPLOYMENT
STANDARDS.

(C) THE DEPARTMENT OF LABOR, MICHIGAN EMPLOYMENT SECURITY
COMMISSION.

Section 2. This amendatory act shall not take effect unless
all of the following bills of the 86th Legislature are enacted
into law:

(a) Senate Bill No. _____ or House Bill No. 4617 (request
no. 02191'91 *).

(b) Senate Bill No. _____ or House Bill No. 4618 (request
no. 03071'91 *).