

REPRINT

**SUBSTITUTE FOR
SENATE BILL NO. 1173**

(As Passed the Senate May 10, 2000)

A bill to amend 1969 PA 317, entitled
"Worker's disability compensation act of 1969,"
by amending section 230 (MCL 418.230), as amended by 1994
PA 271.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 230. (1) Except as otherwise provided in this section,
2 the following records are confidential and exempt from disclosure
3 under the freedom of information act, ~~Act No. 442 of the Public~~
4 ~~Acts of 1976, being sections 15.231 to 15.246 of the Michigan~~
5 ~~Compiled Laws~~ 1976 PA 442, MCL 15.231 TO 15.246:
6 (a) Records submitted by an individual employer or a group
7 of employers to the bureau in support of an application for
8 self-insured status in the manner provided in section 611.
9 (b) Information concerning the injury of and benefits paid
10 to an individual worker. This includes, but is not limited to,

1 all forms, records, and reports filed with or maintained by the
2 bureau concerning the injury of or benefits paid to a worker.

3 (C) WORKER'S DISABILITY COMPENSATION INSURANCE POLICY INFOR-
4 MATION SUBMITTED TO THE BUREAU BY AN INDIVIDUAL EMPLOYER OR GROUP
5 OF EMPLOYERS IN ACCORDANCE WITH SECTION 615 OR A NOTICE OF ISSU-
6 ANCE OF A POLICY SUBMITTED TO THE BUREAU BY AN INSURER IN ACCORD-
7 ANCE WITH SECTION 625.

8 (2) The bureau may release, disclose, or publish information
9 described in subsection (1) under the following circumstances:

10 (a) In the case of subsection (1)(a), ~~or (1)(b)~~ (B), OR
11 (C), the bureau may disclose or publish aggregate information for
12 statistical or research purposes so long as it is disclosed or
13 published in such a way that the confidentiality of information
14 concerning individual workers and the financial records of indi-
15 vidual EMPLOYERS OR self-insured employers OR INSURERS is
16 protected. The bureau may also release individual records to a
17 recognized academic or scholarly institution for research pur-
18 poses if it is provided with sufficient assurance that the out-
19 side individual or agency will preserve the confidentiality of
20 information concerning individual workers and the financial
21 records of individual self-insured employers.

22 (b) In the case of subsection (1)(b), the bureau may release
23 information to another governmental agency if the governmental
24 agency provides the bureau with sufficient assurance that it will
25 preserve the confidentiality of the information. The other
26 agency may use this information to determine the eligibility of
27 an individual for benefits provided or regulated by that agency.

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1 The bureau or another agency may disclose the information if it
2 determines that the individual is receiving benefits to which he
3 or she is not entitled as the result of receiving more than 1
4 benefit at the same time.

5 (c) Except as otherwise provided, information disclosed in
6 accordance with subdivision (a) or (b) shall continue to be
7 exempt from disclosure under ~~Act No. 442 of the Public Acts of~~
8 ~~1976~~ THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO
9 15.246.

10 (d) In the case of subsection (1)(b), the bureau may release
11 individual records to a nonprofit health care corporation, as
12 defined in section 105 of ~~Act No. 350 of the Public Acts of~~
13 ~~1980, being section 550.1105 of the Michigan Compiled Laws~~ THE
14 NONPROFIT HEALTH CARE CORPORATION REFORM ACT, 1980 PA 350,
15 MCL 550.1105, for the sole purpose of determining financial
16 liability for the payment of benefits provided by the
17 corporation. Any information provided to the nonprofit health
18 care corporation shall be confidential, as provided in
19 section 406 of ~~Act No. 350 of the Public Acts of 1980, being~~
20 ~~section 550.1406 of the Michigan Compiled Laws~~ THE NONPROFIT
21 HEALTH CARE CORPORATION REFORM ACT, 1980 PA 350, MCL 550.1406.
22 In a dispute over who assumes liability for the payment of bene-
23 fits for a particular claim, the nonprofit health care corpora-
24 tion shall initiate payment of benefits pending resolution of the
25 dispute.

26 (E) IN THE CASE OF SUBSECTION (1)(C), IN RESPONSE TO A
27 REQUEST THAT PERTAINS TO A SPECIFIC EMPLOYER AND INCLUDES THE

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1 EMPLOYER'S ADDRESS AND THE DATE OF INJURY OF THE CLAIM FOR WHICH
2 THE INFORMATION IS REQUESTED, THE BUREAU MAY DISCLOSE THE NAME
3 AND ADDRESS OF THE INSURER THAT, ACCORDING TO THE RECORDS OF THE
4 BUREAU, PROVIDED COVERAGE ON THE DATE ON INJURY, BUT SHALL NOT
5 DISCLOSE THE EFFECTIVE DATE OR EXPIRATION DATE OF THE POLICY.

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

13 (4) Any employee shall be entitled to inspect and obtain a
14 copy of any record maintained by the bureau concerning himself or
15 herself. Any employer shall be entitled to inspect and obtain a
16 copy of any record maintained by the bureau concerning itself.

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

21 ~~-(6) The applicable provisions of this section shall apply~~
22 ~~to the state accident fund unless the state administrative board~~
23 ~~certifies in writing to the secretary of state by December 31,~~
24 ~~1994 that an agreement for the transfer of all or substantially~~
25 ~~all of the assets and the assumption of all or substantially all~~
26 ~~of the liabilities of the state accident fund has been~~

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1 ~~consummated with a permitted transferee pursuant to the~~
2 ~~requirements of section 701a.~~

3 (6) ~~—(7)—~~ This section shall not limit the power of a court
4 of law to subpoena records relevant to a matter pending before
5 it.