

SUBJECT: Confidentiality of workers' compensation claim information

COMMITTEE: Business and Industry — committee substitute recommended

VOTE: 8 ayes — Brimer, Rhodes, Corte, Dukes, Elkins, Giddings, Janek, Woolley
0 nays
1 absent — Solomons

WITNESSES: For — None
Against — None
On — Steve Bent, Texas Association of Responsible Non-Subscribers; Joe Hanson, Texas Association of Business and Chambers of Commerce; June Karp, Research and Oversight Council for Workers Compensation

BACKGROUND : The Labor Code provides that information in or derived from a claim file maintained by the Texas Workers' Compensation Commission (TWCC) is confidential and cannot be disclosed by the commission. Such information remains confidential when released to any person, except when used in a court for purposes of an appeal.

DIGEST: CSHB 3139 would amend the Labor Code to provide that information on an employee's workers' compensation injury, including information in or derived from the claim file and information on the claim, would be confidential and could not be disclosed by any other person or entity. Information would also remain confidential when obtained by any person or entity.

The bill also would permit employers self-insuring for workers' compensation purposes to request that financial statements submitted to the the Director of Self Insurance Regulation be kept confidential. If the director agreed, the information would be exempt from disclosure under open records laws.

CSHB 3139 also would make confidential all information gathered through the TWCC safety violations hotline, including the name or identity of a person reporting a violation, and information concerning an open claim of liability reported by the Office of the Attorney General.

CSHB 3139 would take effect on September 1, 1997.

**SUPPORTERS
SAY:**

CSHB 3139 would help preserve the confidentiality of information collected when a claim for workers' compensation was filed. It also would prevent former employers from selling or exchanging employee records and information regarding prior compensation claims of a particular employee, without that employee's written permission.

The bill would also extend such protections to information called in to the TWCC hotline, which was set up precisely to field complaints about unsafe or improper working conditions and resolve these workplace hazards. There is a reluctance to use this hotline, however, because the information compiled from it is subject to open records laws. Employees at workplaces with egregious violations of safety rules have good reason to fear their employers will retaliate against them for calling. They may be reluctant to provide their names, making it difficult to verify the complaint and prosecute, if necessary. The confidentiality provisions of CSHB 3139 help promote free and open reporting of hazardous situations and enable TWCC to better do its job of remedying workplace safety problems.

CSHB 3139 would also protect companies attempting to self-insure their operations from disclosure of sensitive information. Non-subscribers to the workers compensation system must furnish information regarding workplace injuries suffered at their work site. Under current law, such information is subject to disclosure since it does not specifically relate to a actual filed claim for workers' compensation.

**OPPONENTS
SAY:**

No apparent opposition.

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NOTES: The committee substitute specified the information on workers' compensation injuries that would be confidential and provided that information from hotline reports would be confidential.