

In 1993, the Legislature passed a law underscoring the right of employers to access information, which impacts their workers' compensation insurance premium. The intent of the law was to improve communication between employers and their claims administrators and to involve employers in the issues affecting their premiums.

The provisions of this law are outlined in Labor Code Section 3761 and 3762 and apply to claims filed for dates of injury on or after January 1, 1994 and include the following:

- **Notification of A Claim:**

An insurer shall notify the employer within 15 days of each claim for disability benefits filed against the employer directly with the insurer if the employer has not timely provided to the insurer an Employer's First Report of Occupational Injury or Illness.

- **Disputed Claims:**

An employer shall promptly notify its insurer in writing at any time during the claim when the employer has actual knowledge of any facts, which would tend to disprove any aspect of the employee's claim. After an employer notifies its insurer in writing that in their opinion, no compensation is payable to an employee, the WCAB may still approve a compromise and release agreement, or stipulation, but only when there is proof that the employer was notified of the pending action. This notice must be sent to the employer's last known address no less than 15 days prior to the WCAB's action.

- **Reserves:**

In establishing a claim's reserve that affects premiums against an employer, an insurer shall provide the employer, upon request, a written report of the reserve amount established.

- **Legal Action:**

When the employer promptly notifies the insurer in writing of its knowledge of information that would disprove a claim and the WCAB thereafter determines that no compensation is payable, the insurer shall reimburse the employer any premium paid solely due to the inclusion of the successful challenged payments in the calculation of the employer's experience modification.

- **Claims Files/Information:**

The insurer shall discuss all elements of the claim that affect the employer's premium with the employer and shall supply copies of the documents that affect the premium at the employer's reasonable expense during reasonable business hours. This right shall not apply to attorney-client privilege information or documents and any medical information that isn't with regard to the employee's diagnosis, treatment or work restrictions in order to modify the employee's duties.

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