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NCOIL RECOGNIZES GAPS IN WORKERS' COMPENSATION COVERAGE, ENDORSES MODEL RECIPROCITY AGREEMENT

Boston, Massachusetts, July 24, 2006 — The National Conference of Insurance Legislators (NCOIL) overwhelmingly supported a model reciprocity agreement for workers' compensation insurance claims on July 22, during the July 20 through 23 NCOIL Summer Meeting here.

The *Model Agreement Between Jurisdictions to Govern Coordination of Claims and Coverage* was developed in 2005 by the International Association of Industrial Accident Boards and Commissions (IAIABC) and subsequently adopted by the National Council on Compensation Insurance (NCCI). The agreement would streamline claims processes when an employee is injured while working in a second state by defining temporary employment, specifying covered benefits, and determining the coverage source for injury claims.

The NCOIL Executive Committee on July 22 voted unanimously to support the IAIABC model, with the inclusion of two amendments proposed by the NCOIL Workers' Compensation Insurance Committee which in no way detracted from the model's original intent.

Lawmakers added a drafting note to the agreement that would suggest states be aware of the definition of temporary employment as it relates to emergency situations, to answer concerns regarding the coverage of emergency workers who are deployed to an affected area for a time period longer than that covered in the model, such as following Hurricane Katrina.

The Committee approved a second amendment, sponsored by Committee Chair Senator Carroll Leavell (NM) that deleted Appendix One, regarding Oregon Enabling Legislation, as the language was not essential to the model.

At the 2006 Spring Meeting, the Committee voted overwhelmingly to support the model agreement. During the subsequent Executive Committee meeting, legislators voted to remit the model to the Workers' Compensation Committee for further discussion and consideration.

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

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