

### Straightening the Record

As chair of the American Academy of Actuaries Workers' Compensation Work Group, I am writing to clarify that the views Richard Hofmann expressed in his article, "Crisis Prevention: Actuaries, Rating Bureaus, and Workers' Compensation Data" (July/August 2000), were his own and do not reflect a consensus of the work group. The definitions given in that article to terms describing various functions historically performed by rating bureaus are also Richard Hofmann's own definitions. In some cases his definitions conflict with others given in state rating laws and regulations (e.g., the definition for an advisory organization).

The amount and types of data that should be collected in workers' compensation, who should have access to that information (and under what terms), and the role(s) that rating bureaus should play in workers' compensation systems are all areas in which there is a wide variety of



opinions within the actuarial community and the industry at large.

Companies view some types of data as a corporate asset. There are legal issues surrounding what data is confidential and subject to trade secret protections. There are costs associated with reporting and with compiling information. There are equity issues that arise when those who do not contribute to the costs of preparing and/or producing data want access to such information, par-

ticularly when they want such information for commercial purposes.

The above factors argue for limited access to some insurer data. However, from a public policy perspective, many companies support the need for ready availability of broad-based, summary information. Today, a number of insurers and employers are voluntarily providing data to organizations like the Workers' Compensation Research Institute (WCRI) to use in addressing specific public policy issues. This is not a panacea to solving workers' compensation crises, but it does help us better understand the issues and interests we face in workers' compensation.

Given the wide variety of issues surrounding access to data, many of which are not actuarial in nature, the Academy's work group opted ultimately not to move forward on a position paper addressing data issues.

NANCY TREITEL  
BOSTON

**Correction:** In Table 1 on Page 14 of the September/October issue of *Contingencies* ("We Are Overinsured for Health Care"), two cells were inadvertently omitted. Under "auto insurance," listed as "not covered" should have been: oil changes and gas fill-ups; service brakes; replace transmission. Under "homeowners insurance," listed as "not covered" should have been: swimming pool maintenance; paint outside house; replace roof.

In addition, Figure 1 appeared incorrectly. The correct figure is below:

