

THE GREEN WIRE

SENATOR TIMOTHY P. GREEN - DISTRICT 13

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Letter to the Editor – February 3, 2006

By Missouri Senator Timothy P. Green, D-Spanish Lake

Sacred Privilege Should Not Be Given To Insurance Corporations

Senate Bill 823, sponsored by Sen. David Klindt, R-Bethany, extends attorney-client privilege to insurance companies. SB 823 was heard in a Senate committee this week chaired by Sen. John Loudon, R-Baldwin. I believe it is wrong to bestow upon the insurance companies the same privilege Missouri law gives our physicians and clergy.

Any documents, interviews, memos, etc. would be considered “privileged” under SB 823. Privileged documents are hidden from the public, law enforcement officers, the court system, and even the insurance company’s own policyholders. From time to time an insurance company will refuse to pay out on a claim one of it’s policyholders makes. When this happens the insured person has the right to take the insurance company to court to force them to pay out on the policy.

The only way to get people to tell the truth is by ensuring disclosure. Concealing fact denies policyholders their consumer rights. Proof of the insurance company’s responsibility and their refusal to meet that responsibility is found in internal documents. Allowing insurance companies to hide information through “self-audits” will make it impossible for policyholders to hold their insurance company accountable.

It is the responsibility of the Missouri Department of Insurance (MDI) to protect Missouri consumers and regulate insurance industry on behalf of consumers. Although it is common for state agency staff to attend Senate hearings as informational witnesses; it is highly unusual and wrong for them to testify in favor of a bill which would protect the industry that MDI is expected to regulate on behalf of Missouri consumers. Doug Ommen, MDI Deputy Director, testified in support SB 823 along with insurance industry lobbyists. It is wrong to have the sly fox guarding the precious hen house.

A husband or wife and certain professionals have privileged communications such as attorneys, psychologists, physicians and the clergy—not insurance companies. By not bestowing upon the insurance companies the same sacred privilege that our physicians and clergy are entitled to—we protect Missouri consumers.

Sincerely,

/s/

Timothy P. Green
Missouri Senator
13th District