

February 27, 1976

SUBJECT: INSURANCE

CIRCULAR LETTER NO. 6 (1976)

TO: ALL SELF-INSURERS AND ALL INSURERS WRITING AUTOMOBILE INSURANCE IN THIS STATE \*

\* wherever used, insurer also refers to self-insurer.

RE: NO-FAULT INSURER'S RIGHT TO RECEIVE UNRESTRICTED AUTHORIZATIONS FOR RELEASE OF HEALTH SERVICE OR TREATMENT INFORMATION AND WORK LOSS AND OTHER LOSS INFORMATION.

It has come to our attention that Applications for No-Fault benefits are being submitted to insurers with notations on the captioned "Authorization" forms which limit release of medical and work loss information to a named attorney for the claimant. The named attorney wishes to be a conduit for all verification of claims data required by the no-fault insurer.

The Department's previously expressed view was that the foregoing procedure was proper. Reconsideration of the potentials for delay and abuse inherent in this procedure now require us to conclude that the no-fault insurer is entitled to independently verify elements of basic economic loss claimed on the Application. Application for Benefits forms which do not contain the unconditional authorization provided for in 11 NYCRR 65.6(c) (ii)(iii) are not completed forms.

If an insurer receives a conditional authorization as outlined above, it has not received proof of claim and it should promptly notify the insured to this effect. Until the prescribed authorizations are filed by the claimant, the 30 day period prescribed in Section 675(1) of the Insurance Law and 11 NYCRR 65.6(e) does not commence.

All personnel responsible for the payment of claims should be furnished with a copy of this notice and receipt of this notice shall be acknowledged forthwith and in writing to:

Mr. John Reiersen, Associate Examiner  
Automobile and Compensation Bureau  
New York State Insurance Department  
Two World Trade Center, 80th Floor  
New York, New York 10047

Very truly yours,

[SIGNATURE]

THOMAS A. HARNETT

Superintendent of Insurance