

Letters to the Editor:

Workers' Comp should make all businesses pay up

Wednesday June 30, 2004

Congratulations to the West Virginia Workers Compensation Commission for going after corporate cheaters. I refer to reporter Brian Bowling's story, "Workers' Comp stretches long arm," in the June 22 Daily Mail.

But shame on the Daily Mail for characterizing the cheaters as poor befuddled victims.

For too long a small group of corporate owners, chiefly in the coal industry, have used loopholes in the state's workers compensation system to avoid almost a billion dollars in premium payments.

These unpaid premiums are then collected from the honest businesses that dutifully pay their bills. Injured workers and their families have also been forced to chip in.

Having unraveled complex schemes to defraud the state, workers compensation is going after cheaters. Hurrah.

But instead of cheering, the Daily Mail appears to lament this crackdown. Here is what reporter Brian Bowling wrote.

"Imagine a private car insurance company, for example, deciding it charged too little to insure a Volvo sedan in 1994. Five years later, the company tells the sedan owner to either pay more money for the 1994 coverage or the insurer will sue to collect the money."

Poor car owner.

But wait, did this same car owner rent the car out but not tell his insurer? Did this same car owner hide a fleet of uninsured cars, pay for only one car, but use the policy to cover the fleet? Did the owner cancel their policy after an accident, then start a new policy under a slightly different name, and forget to disclose the accident?

Similar schemes are used by coal companies and others to avoid paying their bills and make the rest of us pay for them.

Welcome to the regular subscriber's world.

We've heard the same tired defense from the poor coal companies and their lawyers before -- how they paid all the premium owed and the state forgot to ask the right questions.

Yet because of suits brought by the Affiliated Construction Trades Foundation, some of these companies ended up paying \$60 million into the fund in 2000.

They didn't do it to be nice corporations. It should have been \$400 million.

I've often wondered why 90 percent of businesses want to support the 10 percent of cheaters.

Maybe it's because the Daily Mail doesn't tell the whole story.

Steve White

Charleston

White is director of the Affiliated Construction Trades Foundation.