

This Just in...

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As Privacy In Focus went to press, the federal banking regulatory agencies issued their joint notice of proposed rulemaking regarding privacy rules mandated by the Gramm-Leach-Bliley Act. The proposed rules affect many businesses beyond banks and insurers (including agents and brokers) and the issued proposal contains some surprises. WR&F will review the proposed regulations in our accelerated March issue. Please let us know if you have questions in the interim. Comments on the proposal are due to the agencies by March 31.

On first reading, the agency staffs have identified as the "most difficult issue" the question of how to define "nonpublic personal information generally," and specifically the question of what is meant by the term "financial." By adopting the broader of its two possibilities, a definition that encompasses any information about a consumer obtained by a financial institution in connection with the provisions of a financial product or service, the agencies have made clear that medical information is included in the reach of the statute. For health insurers, this means two sets of standards at the federal level. For casualty insurers, otherwise excluded from the HHS health care regulations, medical information must now be protected as well.

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