

SENATE BILL REPORT

SHB 1294

AS OF MARCH 22, 1991

Brief Description: Mandating personal injury protection insurance.

SPONSORS: House Committee on Financial Institutions & Insurance (originally sponsored by Representatives R. Meyers, Schmidt, Dellwo, Dorn, Inslee, Padden, Anderson, Paris and Wang).

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Staff: Meg Jones (786-7416)

Hearing Dates:

BACKGROUND:

Personal injury protection (PIP) is insurance coverage typically offered as part of motor vehicle insurance policies. PIP coverage provides payment for medical expenses incurred for injuries related to an insured's motor vehicle use or occupancy. PIP protection generally begins to compensate an insured for medical expenses before any liability issues are resolved. Under current state law, offering PIP coverage is optional, although most auto carriers do offer the coverage. Insureds who are limited to the substandard risk category generally have less access to this coverage.

SUMMARY:

Motor vehicle liability insurance policies shall provide personal injury protection (PIP) benefits for reasonable and necessary medical, hospital, funeral, income loss and household services payment expenses. Minimum benefit levels are established for each benefit category. Loss of income and medical expense limits are \$10,000, respectively.

Appropriation: none

Revenue: none

Fiscal Note: requested

Effective Date: January 1, 1992