

FINAL BILL REPORT

ESHB 1233

C 242 L 93
Synopsis as Enacted

Brief Description: Regulating the mandatory offering of personal injury protection insurance.

By House Committee on Financial Institutions & Insurance
(originally sponsored by Representatives R. Meyers,
Zellinsky, Dellwo, R. Johnson, Scott, Riley, Kessler,
Dunshee, Dorn, Foreman, Grant, Kremen and Johanson).

House Committee on Financial Institutions & Insurance
Senate Committee on Labor & Commerce

Background: Most automobile insurance companies offer medical coverage, also referred to as personal injury protection (PIP) coverage, as part of a comprehensive auto insurance policy. PIP coverage includes disability, wage loss, and death benefit coverage. The Insurance Commissioner has adopted rules setting basic standards for the amount of coverage to be offered by insurers who market PIP coverage.

Summary: Automobile liability insurance companies must provide PIP coverage under nonbusiness auto insurance policies unless the named insured rejects PIP coverage in writing. Insurers need not provide PIP coverage for motor homes or motorcycles, for intentional injuries, for injuries arising from war, from toxic waste exposure or from accidents while the insured is occupying an owned but uninsured auto, or from accidents to the insured's relative while occupying an auto owned by the relative.

Coverage must extend to reasonable and necessary medical and hospital expenses up to \$10,000, incurred within three years from the date of the insured's injury. Funeral expenses must be covered up to \$2,000. Loss of income benefits must be provided up to \$10,000, subject to certain limits. Loss of services benefits must be provided up to \$40 per day, not exceeding a total of \$5,000. Insurers must offer higher limits for all such benefits as provided.

Votes on Final Passage:

House	95	0	
Senate	35	10	(Senate amended)
House	97	0	(House concurred)

Effective: July 25, 1993
July 1, 1994 (Sections 1 - 5)