H-2628.1			

SUBSTITUTE HOUSE BILL 1804

State of Washington 55th Legislature 1997 Regular Session

By House Committee on Law & Justice (originally sponsored by Representatives Huff, Scott, Dyer, Sheldon, Sherstad, Alexander, Skinner, Clements, Zellinsky, Carrell, Lisk and McMorris)

Read first time 03/05/97.

- AN ACT Relating to civil actions; amending RCW 4.24.005, 7.70.070,
- 2 4.22.070, 4.22.015, 5.60.060, 70.02.050, 4.16.190, 4.16.350, 4.16.300,
- 3 51.24.035, and 46.61.688; adding new sections to chapter 4.24 RCW;
- 4 adding a new section to chapter 4.16 RCW; adding a new chapter to Title
- 5 4 RCW; and creating new sections.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 PART 1--EARLY DISPUTE RESOLUTION
- 8 <u>NEW SECTION.</u> **Sec. 101.** (1) An attorney who represents a claimant
- 9 who has accepted an early settlement offer shall not collect a
- 10 contingent fee that is greater than twenty percent of the amount of the
- 11 early settlement offer.
- 12 (2) An attorney who represents a claimant who has rejected or
- 13 failed to accept an early settlement offer shall not collect a
- 14 contingent fee that is greater than twenty percent of the amount of the
- 15 early settlement offer plus the percentage of the amount recovered in
- 16 excess of the early settlement offer as was agreed to by the claimant
- 17 and the attorney.

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- (3) A claimant's attorney who has failed to make a demand for 1 compensation under section 102 of this act, or who has omitted from the 2 3 demand information required under section 102 of this act of a material 4 nature which the attorney had in his or her possession or which was readily available to him or her, shall not collect a contingent fee 5 greater than twenty percent of the amount recovered. 6
- 7 (4) A claimant's attorney who has failed to provide his or her 8 client a true and complete copy of an early settlement offer received 9 by the attorney, as required under section 103(3) of this act, shall not collect a contingent fee greater than twenty percent of the amount 11 recovered.
- (5) Reasonable costs and expenses incurred by an attorney up to the 12 13 time of receipt of an early settlement offer are deducted from that settlement offer for purposes of calculating the maximum permissible 14 15 fee under subsections (1) and (2) of this section.
- (6) An attorney shall disclose, plainly and in writing, to 16 17 claimants whom the attorney proposes to represent on a contingent-fee basis: (a) The fee limitations imposed by this section; and (b) the 18 19 fact that such limitations are maximum limits and that the attorney and claimant may negotiate a lower fee. The attorney shall also provide to 20 each claimant a copy of chapter 4.-- RCW (sections 101 through 106 of 21 22 this act).
- (7) The fee limitations imposed by this section may not be waived. 23
- 24 (8) This section applies to all attorneys practicing in this state, 25 including attorneys prosecuting claims filed in federal court, to the
- 26 maximum extent permitted by federal law.

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- 27 <u>NEW SECTION.</u> **Sec. 102.** (1) An attorney representing a claimant on a contingent-fee basis shall send a demand for compensation by 28 29 certified mail to each allegedly responsible party. In the event that 30 multiple allegedly responsible parties are known to the attorney, a demand must be sent on the same date to each party. The demand must 31 32 specify the amount of compensation sought and must set forth the 33 material facts, documentary evidence, and other information relevant to 34 the demand, including:
- (a) The name and address of the claimant or of the person on whose 35 36 behalf the claim is being made;
 - (b) A brief description of how the injury or loss occurred;

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- (c) The names and, if known, the addresses and telephone numbers of 1 2 all known witnesses to the injury or loss;
- 3 (d) Copies of photographs in the claimant's possession which relate 4 to the injury or loss;
- (e) The basis for claiming that the party to whom the demand is 5 addressed is responsible or partially responsible for the injury or 6 7 loss;
- 8 (f) A description of the nature of the injury or loss, including 9 the dates and nature of the care or services provided, and the names 10 and addresses of all physicians and other health care providers that provided medical care or services to the claimant or injured party;

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- (g) Medical records relating to the injury, including those 12 13 involving a prior injury or preexisting medical condition which would be discoverable by the allegedly responsible party during the course of 14 15 litigation or, in lieu thereof, executed releases authorizing the allegedly responsible party to obtain the records directly from those 16 health care providers who provided treatment to the claimant; and 17
- (h) Documentation of any medical expenses, lost wages, personal 18 19 losses, and other economic and noneconomic losses suffered as a 20 consequence of the injury or loss.
- (2) The attorney shall mail copies of each demand to the claimant 21 22 and to each and every allegedly responsible party.
 - (3) A claimant's attorney who learns of an additional allegedly responsible party after making a demand for compensation under subsection (1) of this section shall send a demand for compensation to the newly discovered allegedly responsible party and simultaneously mail a copy of the demand to each of the other allegedly responsible parties and to the claimant.
- 29 (4) In the event that a claimant's attorney learns of an additional 30 allegedly responsible party more than ninety days after making a demand 31 for compensation under subsection (1) of this section, the attorney shall not be required to send a demand to that party nor do the fee 32 limitations imposed under section 101 (1) and (2) of this act apply 33 34 with regard to an amount recovered from that party, except as provided 35 by this subsection. An attorney who fails as a result of a breach of the standard of care to learn of an additional allegedly responsible 36 party within ninety days of sending a demand for compensation to 37 another allegedly responsible party shall not collect a fee in excess 38

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- 1 of that allowed under section 101 (1) and (2) of this act with respect
- 2 to an amount recovered from the additional allegedly responsible party.
- NEW SECTION. Sec. 103. (1) An offer by an allegedly responsible party to settle a claim constitutes an early settlement offer if the allegedly responsible party:
- 6 (a) Makes the settlement offer within sixty days of receipt of a 7 demand for compensation;
- 8 (b) Communicates the offer in writing and by certified mail to the 9 claimant's attorney; and
- 10 (c) Leaves the offer open for acceptance for a minimum of thirty 11 days from the date of its receipt by the claimant's attorney.
- (2) An allegedly responsible party may amend or issue an additional early settlement offer during the sixty-day period set forth in subsection (1) of this section. An amended or additional early settlement offer shall be subject to the requirements set forth in subsection (1) of this section.
- 17 (3) A settlement offer that is made to a claimant prior to receipt
 18 of a demand for compensation, and that conforms to the requirements of
 19 subsection (1) of this section is deemed an early settlement offer and
 20 has the same effect as if it were a response to a demand for
 21 compensation.
 - (4) An allegedly responsible party is under no obligation to issue a response to a demand for compensation. The fact that a demand for compensation was or was not made, the fact that an early settlement offer was or was not made, and the amount of any demand or settlement offer made are inadmissible at a trial arising from the injury or loss.
- 27 (5) An attorney who receives an early settlement offer shall 28 provide a true and complete copy of the offer to his or her client.
- 29 NEW SECTION. Sec. 104. The legislature finds that the practices covered by this chapter are matters vitally affecting the public 30 31 interest for the purpose of applying the consumer protection act, 32 chapter 19.86 RCW. A violation of this chapter is not reasonable in 33 relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of 34 35 competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. 36

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- NEW SECTION. Sec. 105. A fiduciary relationship applies with respect to a fee agreement between an attorney and a claimant.
- NEW SECTION. Sec. 106. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 5 (1) "Allegedly responsible party" means a person, partnership, or 6 corporation alleged by a claimant to be responsible for at least some 7 portion of an injury or loss alleged by that claimant.

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- (2) "Amount recovered" means the total compensation, including the reasonable value of nonmonetary compensation, that an attorney has obtained on behalf of a claimant through settlement, arbitration, or judgment, minus the reasonable costs and expenses incurred by the attorney in prosecuting or settling the claim.
- (3) "Claimant" means any natural person or persons seeking compensation in connection with a claim for personal injury or wrongful death, but does not include a claim for workers' compensation benefits, or a case in which a court has certified the existence of a class action pursuant to state or federal law.
- 18 (4) "Contingent fee" means compensation, however calculated, that 19 is payable only if an amount is recovered.
- 20 (5) "Early settlement offer" means a settlement offer made in 21 accordance with section 103 of this act.
- 22 **Sec. 107.** RCW 4.24.005 and 1987 c 212 s 1601 are each amended to 23 read as follows:
- Any party charged with the payment of attorney's fees in any tort action may petition the court not later than forty-five days of receipt of a final billing or accounting for a determination of the reasonableness of that party's attorneys' fees. The court shall make such a determination and shall take into consideration the following:
- 29 (1) The time and labor required, the novelty and difficulty of the 30 questions involved, and the skill requisite to perform the legal 31 service properly;
- 32 (2) The likelihood, if apparent to the client, that the acceptance 33 of the particular employment will preclude other employment by the
- 34 lawyer;
 35 (3) The fee customarily charged in the locality for similar legal
- 37 (4) The amount involved and the results obtained;

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- 1 (5) The time limitations imposed by the client or by the 2 circumstances;
- 3 (6) The nature and length of the professional relationship with the 4 client;
- 5 (7) The experience, reputation, and ability of the lawyer or 6 lawyers performing the services;
 - (8) Whether the fee is fixed or contingent;
- 8 (9) Whether the fixed or contingent fee agreement was in writing 9 and whether the client was aware of his or her right to petition the 10 court under this section;
- 11 (10) The terms of the fee agreement.
- 12 <u>However, an attorney's contingency fee is limited to the maximum</u>
- 13 permissible fee allowed under sections 101 through 106 of this act.
- 14 **Sec. 108.** RCW 7.70.070 and 1975-'76 2nd ex.s. c 56 s 12 are each 15 amended to read as follows:
- The court shall, in any action under this chapter, determine the reasonableness of each party's attorneys fees. The court shall take
- 18 into consideration the following:
- 19 (1) The time and labor required, the novelty and difficulty of the
- 20 questions involved, and the skill requisite to perform the legal
- 21 service properly;
- 22 (2) The likelihood, if apparent to the client, that the acceptance
- 23 of the particular employment will preclude other employment by the
- 24 lawyer;

- 25 (3) The fee customarily charged in the locality for similar legal
- 26 services;
- 27 (4) The amount involved and the results obtained;
- 28 (5) The time limitations imposed by the client or by the 29 circumstances;
- 30 (6) The nature and length of the professional relationship with the
- 31 client;
- 32 (7) The experience, reputation, and ability of the lawyer or
- 33 lawyers performing the services;
- 34 (8) Whether the fee is fixed or contingent.
- 35 <u>However, an attorney's contingency fee is limited to the maximum</u>
- 36 permissible fee allowed under sections 101 through 106 of this act.

37 PART 2--CERTIFICATE OF MERIT

- NEW SECTION. Sec. 201. A new section is added to chapter 4.24 RCW to read as follows:
- 3 (1) The claimant's attorney shall file the certificate specified in 4 subsection (2) of this section within ninety days of filing or service, 5 whichever occurs later, of any action for damages arising out of: The
- 6 negligence of a person licensed, registered, or certified under Title
- 7 18 RCW or a health care facility as defined in RCW 48.43.005; or a
- 8 product liability claim under chapter 7.72 RCW. The court may, for
- 9 $\,$ good cause shown, extend the period of time within which filing of the
- 10 certificate is required.
- 11 (2) The certificate issued by the claimant's attorney shall 12 declare:
- 13 (a) That the attorney has reviewed the facts of the case;
- (b) That the attorney has consulted with at least one qualified expert who the attorney reasonably believes is knowledgeable in the relevant issues involved in the particular action and who:
- (i) Holds a license, certificate, or registration issued by this state or another state in the same profession as that of the defendant and who practices in the same specialty or subspecialty as the defendant; or
- 21 (ii) Has expertise in those areas requiring expert testimony in a 22 product liability claim or in an action against a health care facility;
- 23 (c) The identity of the expert and the expert's license, 24 certification, or registration;
- 25 (d) That the expert is willing and available to testify to 26 admissible facts or opinions; and
- (e) That the attorney has concluded on the basis of such review and consultation that there is reasonable and meritorious cause for the filing of such action.
- 30 (3) Where a certificate is required under this section, and where 31 there are multiple defendants, the certificate or certificates must 32 state the attorney's conclusion that on the basis of review and expert 33 consultation, there is reasonable and meritorious cause for the filing 34 of such action as to each defendant.
- 35 (4) The provisions of this section shall not be applicable to a pro 36 se plaintiff until such a time as an attorney appears on the 37 plaintiff's behalf.

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- 1 (5) Violation of this section shall be grounds for either dismissal 2 of the case or sanctions against the attorney, or both, as the court 3 deems appropriate.
- 4 <u>NEW SECTION.</u> **Sec. 202.** Section 201 of this act applies to all 5 actions for damages filed on or after July 1, 1997.

6 PART 3--JOINT AND SEVERAL LIABILITY

7 **Sec. 301.** RCW 4.22.070 and 1993 c 496 s 1 are each amended to read 8 as follows:

(1) In all actions involving fault of more than one entity, the 9 10 trier of fact shall determine the percentage of the total fault which is attributable to every entity which caused the claimant's damages 11 12 except entities immune from liability to the claimant under Title 51 13 The sum of the percentages of the total fault attributed to at-14 fault entities shall equal one hundred percent. The entities whose 15 fault shall be determined include the claimant or person suffering 16 personal injury or incurring property damage, defendants, third-party 17 defendants, entities ((released by)) who have entered into a release, covenant not to sue, covenant not to enforce judgment, or similar 18 agreement with the claimant, entities with any other individual defense 19 against the claimant, and entities immune from liability to the 20 21 claimant, but shall not include those entities immune from liability to 22 the claimant under Title 51 RCW. Judgment shall be entered against 23 each defendant except those entities who have ((been released by)) entered into a release, covenant not to sue, covenant not to enforce 24 25 judgment, or similar agreement with the claimant or are immune from liability to the claimant or have prevailed on any other individual 26 27 defense against the claimant in an amount which represents that party's proportionate share of the claimant's total damages. The liability of 28 each defendant shall be several only and shall not be joint except((+ 29 $\frac{a}{a}$)) <u>a</u> party shall be responsible for the fault of another person 30 or for payment of the proportionate share of another party where both 31 32 were acting in concert or when a person was acting as an agent or 33 servant of the party.

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(((b) If the trier of fact determines that the claimant or party

suffering bodily injury or incurring property damages was not at fault, the defendants against whom judgment is entered shall be jointly and

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- 1 severally liable for the sum of their proportionate shares of the
 2 claimants [claimant's] total damages.))
- 3 (2) If a defendant is jointly and severally liable under ((one of))4 the exception((s)) listed in subsection((s)) (1)((a) or (1)(b))) of 5 this section, such defendant's rights to contribution against another 6 jointly and severally liable defendant, and the effect of settlement by 7 either such defendant, shall be determined under RCW 4.22.040,
- 8 4.22.050, and 4.22.060.

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- 9 (3)(a) Nothing in this section affects any cause of action relating 10 to hazardous wastes or substances or solid waste disposal sites.
- 11 (b) Nothing in this section shall affect a cause of action arising 12 from the tortuous interference with contracts or business relations.
- (c) Nothing in this section shall affect any cause of action arising from the manufacture or marketing of a fungible product in a generic form which contains no clearly identifiable shape, color, or marking.
- 17 **Sec. 302.** RCW 4.22.015 and 1981 c 27 s 9 are each amended to read 18 as follows:
- "Fault" includes acts or omissions, including misuse of a product, that are in any measure negligent ((or)), reckless, or intentional toward the person or property of the actor or others, or that subject a person to strict tort liability or liability on a product liability claim. The term also includes breach of warranty, unreasonable assumption of risk, and unreasonable failure to avoid an injury or to mitigate damages. Legal requirements of causal relation apply both to
- A comparison of fault for any purpose under RCW 4.22.005 through 4.22.060 shall involve consideration of both the nature of the conduct of the parties to the action and the extent of the causal relation between such conduct and the damages.

fault as the basis for liability and to contributory fault.

PART 4--EQUAL ACCESS TO MEDICAL WITNESSES

- 32 **Sec. 401.** RCW 5.60.060 and 1996 c 156 s 1 are each amended to read 33 as follows:
- 34 (1) A husband shall not be examined for or against his wife, 35 without the consent of the wife, nor a wife for or against her husband 36 without the consent of the husband; nor can either during marriage or

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afterward, be without the consent of the other, examined as to any 1 communication made by one to the other during marriage. But this 2 exception shall not apply to a civil action or proceeding by one 3 4 against the other, nor to a criminal action or proceeding for a crime committed by one against the other, nor to a criminal action or 5 proceeding against a spouse if the marriage occurred subsequent to the 6 7 filing of formal charges against the defendant, nor to a criminal action or proceeding for a crime committed by ((said)) the husband or 8 9 wife against any child of whom ((said)) the husband or wife is the 10 parent or guardian, nor to a proceeding under chapter 70.96A or 71.05 RCW((: PROVIDED, That)). However, the spouse of a person sought to be 11 12 detained under chapter 70.96A or 71.05 RCW may not be compelled to 13 testify and shall be so informed by the court prior to being called as 14 a witness.

- 15 (2) An attorney or counselor shall not, without the consent of his 16 or her client, be examined as to any communication made by the client 17 to him or her, or his or her advice given thereon in the course of 18 professional employment.
- 19 (3) A member of the clergy or a priest shall not, without the 20 consent of a person making the confession, be examined as to any 21 confession made to him or her in his or her professional character, in 22 the course of discipline enjoined by the church to which he or she 23 belongs.
- (4) Subject to the limitations under RCW 70.96A.140 or 71.05.250, a physician or surgeon or osteopathic physician or surgeon shall not, without the consent of his or her patient, be examined in a civil action as to any information acquired in attending such patient, which was necessary to enable him or her to prescribe or act for the patient, except as follows:
- 30 (a) In any judicial proceedings regarding a child's injury, 31 neglect, or sexual abuse or the cause thereof; and
 - (b) Ninety days after filing an action for personal injuries or wrongful death, the claimant shall be deemed to waive the physician-patient privilege. Waiver of the physician-patient privilege for any one physician or condition constitutes a waiver of the privilege as to all physicians or conditions, subject to such limitations as a court may impose pursuant to court rules. Where the privilege has been waived under this section, ex parte interviews with such physicians may be conducted in the same manner as with any other witness.

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38 39 (5) A public officer shall not be examined as a witness as to communications made to him or her in official confidence, when the public interest would suffer by the disclosure.

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- 4 (6)(a) A peer support group counselor shall not, without consent of the law enforcement officer making the communication, be compelled to 5 testify about any communication made to the counselor by the officer 6 7 while receiving counseling. The counselor must be designated as such by the sheriff, police chief, or chief of the Washington state patrol, 8 9 prior to the incident that results in counseling. The privilege only 10 applies when the communication was made to the counselor while acting in his or her capacity as a peer support group counselor. 11 privilege does not apply if the counselor was an initial responding 12 13 officer, a witness, or a party to the incident which prompted the delivery of peer support group counseling services to the law 14 15 enforcement officer.
- 16 (b) For purposes of this section, "peer support group counselor" 17 means a:
- 18 (i) Law enforcement officer, or civilian employee of a law 19 enforcement agency, who has received training to provide emotional and 20 moral support and counseling to an officer who needs those services as 21 a result of an incident in which the officer was involved while acting 22 in his or her official capacity; or
- (ii) Nonemployee counselor who has been designated by the sheriff, police chief, or chief of the Washington state patrol to provide emotional and moral support and counseling to an officer who needs those services as a result of an incident in which the officer was involved while acting in his or her official capacity.
- (7) A sexual assault advocate may not, without the consent of the victim, be examined as to any communication made by the victim to the sexual assault advocate.
- 31 (a) For purposes of this section, "sexual assault advocate" means the employee or volunteer from a rape crisis center, victim assistance 32 unit, program, or association, that provides information, medical or 33 34 legal advocacy, counseling, or support to victims of sexual assault, 35 who is designated by the victim to accompany the victim to the hospital or other health care facility and to proceedings concerning the alleged 36 37 assault, including police and prosecution interviews and court proceedings. 38

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- (b) A sexual assault advocate may disclose a confidential 1 communication without the consent of the victim if failure to disclose 2 is likely to result in a clear, imminent risk of serious physical 3 4 injury or death of the victim or another person. Any sexual assault 5 advocate participating in good faith in the disclosing of records and communications under this section shall have immunity from any 6 7 liability, civil, criminal, or otherwise, that might result from the In any proceeding, civil or criminal, arising out of a 8 disclosure under this section, the good faith of the sexual assault 9 advocate who disclosed the confidential communication shall be 10 11 presumed.
- 12 **Sec. 402.** RCW 70.02.050 and 1993 c 448 s 4 are each amended to 13 read as follows:
- (1) A health care provider may disclose health care information about a patient without the patient's authorization to the extent a recipient needs to know the information, if the disclosure is:
- 17 (a) To a person who the provider reasonably believes is providing 18 health care to the patient;
- (b) To any other person who requires health care information for health care education, or to provide planning, quality assurance, peer review, or administrative, legal, financial, or actuarial services to the health care provider; or for assisting the health care provider in the delivery of health care and the health care provider reasonably believes that the person:
- 25 (i) Will not use or disclose the health care information for any 26 other purpose; and
- 27 (ii) Will take appropriate steps to protect the health care 28 information;
- (c) To any other health care provider reasonably believed to have previously provided health care to the patient, to the extent necessary to provide health care to the patient, unless the patient has instructed the health care provider in writing not to make the disclosure;
- (d) To any person if the health care provider reasonably believes that disclosure will avoid or minimize an imminent danger to the health or safety of the patient or any other individual, however there is no obligation under this chapter on the part of the provider to so disclose;

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- (e) Oral, and made to immediate family members of the patient, or any other individual with whom the patient is known to have a close personal relationship, if made in accordance with good medical or other professional practice, unless the patient has instructed the health care provider in writing not to make the disclosure;
- 6 (f) To a health care provider who is the successor in interest to 7 the health care provider maintaining the health care information;
- 8 (g) For use in a research project that an institutional review 9 board has determined:
- 10 (i) Is of sufficient importance to outweigh the intrusion into the 11 privacy of the patient that would result from the disclosure;
- 12 (ii) Is impracticable without the use or disclosure of the health 13 care information in individually identifiable form;
- 14 (iii) Contains reasonable safeguards to protect the information 15 from redisclosure;
- 16 (iv) Contains reasonable safeguards to protect against identifying, 17 directly or indirectly, any patient in any report of the research 18 project; and
- (v) Contains procedures to remove or destroy at the earliest opportunity, consistent with the purposes of the project, information that would enable the patient to be identified, unless an institutional review board authorizes retention of identifying information for purposes of another research project;
- (h) To a person who obtains information for purposes of an audit, if that person agrees in writing to:
- (i) Remove or destroy, at the earliest opportunity consistent with the purpose of the audit, information that would enable the patient to be identified; and
- (ii) Not to disclose the information further, except to accomplish
 the audit or report unlawful or improper conduct involving fraud in
 payment for health care by a health care provider or patient, or other
 unlawful conduct by the health care provider;
- 33 (i) To an official of a penal or other custodial institution in 34 which the patient is detained;
- (j) To provide directory information, unless the patient has instructed the health care provider not to make the disclosure;
- (k) In the case of a hospital or health care provider to provide, in cases reported by fire, police, sheriff, or other public authority, name, residence, sex, age, occupation, condition, diagnosis, or extent

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- 1 and location of injuries as determined by a physician, and whether the 2 patient was conscious when admitted; or
- 3 (1) Made after a deemed waiver of the physician-patient privilege 4 under RCW 5.60.060(4)(b).
- 5 (2) A health care provider shall disclose health care information 6 about a patient without the patient's authorization if the disclosure 7 is:
- 8 (a) To federal, state, or local public health authorities, to the 9 extent the health care provider is required by law to report health 10 care information; when needed to determine compliance with state or 11 federal licensure, certification or registration rules or laws; or when 12 needed to protect the public health;
- 13 (b) To federal, state, or local law enforcement authorities to the 14 extent the health care provider is required by law;
- 15 (c) Pursuant to compulsory process in accordance with RCW 16 70.02.060.
- 17 (3) All state or local agencies obtaining patient health care 18 information pursuant to this section shall adopt rules establishing 19 their record acquisition, retention, and security policies that are 20 consistent with this chapter.
- NEW SECTION. Sec. 403. RCW 5.60.060 and 70.02.050 do not apply to claims, hearings, appeals, or any other proceedings under Title 51 RCW.

23 PART 5--HEALTH CARE LIMITATION OF ACTIONS

24 **Sec. 501.** RCW 4.16.190 and 1993 c 232 s 1 are each amended to read 25 as follows:

If a person entitled to bring an action mentioned in this chapter, 26 27 except for a penalty or forfeiture, or against a sheriff or other officer, for an escape, be at the time the cause of action accrued 28 either under the age of eighteen years, or incompetent or disabled to 29 such a degree that he or she cannot understand the nature of the 30 proceedings, such incompetency or disability as determined according to 31 32 chapter 11.88 RCW, or imprisoned on a criminal charge prior to sentencing, the time of such disability shall not be a part of the time 33 34 limited for the commencement of action.

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- 1 This section does not apply to any civil action for damages for
- 2 injury occurring as a result of health care that is provided after June
- 3 <u>25, 1976.</u>
- 4 <u>NEW SECTION.</u> **Sec. 502.** A new section is added to chapter 4.16 RCW
- 5 to read as follows:
- 6 Any civil action for damages for injury occurring as a result of
- 7 health care provided after June 25, 1976, and before the effective date
- 8 of this act that has not accrued before the effective date of this act
- 9 and that was previously tolled by RCW 4.16.190 accrues on the effective
- 10 date of this act.
- 11 **Sec. 503.** RCW 4.16.350 and 1988 c 144 s 2 are each amended to read
- 12 as follows:
- 13 Any civil action for damages for injury occurring as a result of
- 14 health care which is provided after June 25, 1976 against:
- 15 (1) A person licensed by this state to provide health care or
- 16 related services, including, but not limited to, a physician,
- 17 osteopathic physician, dentist, nurse, optometrist, ((podiatrist))
- 18 podiatric physician and surgeon, chiropractor, physical therapist,
- 19 psychologist, pharmacist, optician, physician's assistant, osteopathic
- 20 physician's assistant, nurse practitioner, or physician's trained
- 21 mobile intensive care paramedic, including, in the event such person is
- 22 deceased, his estate or personal representative;
- 23 (2) An employee or agent of a person described in subsection (1) of
- 24 this section, acting in the course and scope of his employment,
- 25 including, in the event such employee or agent is deceased, his estate
- 26 or personal representative; or
- 27 (3) An entity, whether or not incorporated, facility, or
- 28 institution employing one or more persons described in subsection (1)
- 29 of this section, including, but not limited to, a hospital, clinic,
- 30 health maintenance organization, or nursing home; or an officer,
- 31 director, employee, or agent thereof acting in the course and scope of
- 32 his employment, including, in the event such officer, director,
- 33 employee, or agent is deceased, his estate or personal representative;
- 34 based upon alleged professional negligence shall be commenced within
- 35 three years of the act or omission alleged to have caused the injury or
- 36 condition, or one year of the time the patient or his representative
- 37 discovered or reasonably should have discovered that the injury or

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- 1 condition was caused by said act or omission, whichever period expires
- 2 later, except that in no event shall an action be commenced more than
- 3 eight years after said act or omission((: PROVIDED, That)). However,
- 4 the time for commencement of an action is tolled upon proof of fraud,
- 5 intentional concealment, or the presence of a foreign body not intended
- 6 to have a therapeutic or diagnostic purpose or effect.
- 7 ((For purposes of this section, notwithstanding RCW 4.16.190, the
- 8 knowledge of a custodial parent or guardian shall be imputed to a
- 9 person under the age of eighteen years, and such imputed knowledge
- 10 shall operate to bar the claim of such minor to the same extent that
- 11 the claim of an adult would be barred under this section. Any action
- 12 not commenced in accordance with this section shall be barred.
- For purposes of this section, with respect to care provided after
- 14 June 25, 1976, and before August 1, 1986, the knowledge of a custodial
- 15 parent or guardian shall be imputed as of April 29, 1987, to persons
- 16 under the age of eighteen years.))
- 17 This section does not apply to a civil action based on intentional
- 18 conduct brought against those individuals or entities specified in this
- 19 section by a person for recovery of damages for injury occurring as a
- 20 result of childhood sexual abuse as defined in RCW 4.16.340(5).

PART 6--CONSTRUCTION CLAIMS

- 22 **Sec. 601.** RCW 4.16.300 and 1986 c 305 s 703 are each amended to 23 read as follows:
- 24 RCW 4.16.300 through 4.16.320 shall apply to all claims or causes
- 25 of action of any kind against any person, arising from such person
- 26 having constructed, altered or repaired any improvement upon real
- 27 property, or having performed or furnished any design, planning,
- 28 surveying, architectural or construction or engineering services, or
- 29 supervision or observation of construction, or administration of
- 30 construction contracts for any construction, alteration or repair of
- 31 any improvement upon real property. This section is intended to
- 32 benefit only those persons referenced ((herein)) in this section,
- 33 specifically including persons having performed work for which the
- 34 persons must be registered or licensed under RCW 18.27.020, 18.08.310,
- 35 <u>18.43.040</u>, <u>18.96.020</u>, or <u>19.28.120</u>, and shall not apply to claims or
- 36 causes of action against ((manufacturers)) persons not referenced in
- 37 this section.

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1 **Sec. 602.** RCW 51.24.035 and 1987 c 212 s 1801 are each amended to 2 read as follows:

- 3 (1) Notwithstanding RCW 51.24.030(1), the injured worker or 4 beneficiary may not seek damages ((against a design professional who is a third person and who has been retained to perform professional 5 services on a construction project, or any employee of a design 6 7 professional who is assisting or representing the design professional 8 in the performance of professional services on the site of the 9 construction project, unless responsibility for safety practices is 10 specifically assumed by contract, the provisions of which were mutually negotiated, or the design professional actually exercised control over 11 the portion of the premises where the worker was injured)) for an 12 injury or occupational disease occurring in the course of employment at 13 the site of a construction project, whether accomplished by a single 14 contract or by multiple contracts, against the owner or developer of 15 the project or against any person or entity performing work, furnishing 16 materials, or providing services to or for the construction project 17 including, but not limited to, design professionals, construction 18 19 managers, general or prime contractors, suppliers, subcontractors of any tier, and any employee of a design professional, construction 20 manager, general or prime contractor, supplier, or subcontractor of any 21 tier. 22
 - (2) The immunity provided by this section does not extend to any person or entity who injures a worker by deliberate intention as defined in RCW 51.24.020, and it is against public policy to seek indemnification in construction contracts against such liability. Such contractual clauses are void and unenforceable.

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- 28 <u>(3) The immunity provided by this section does not extend to</u>
 29 <u>manufacturers and product sellers for product liability actions as</u>
 30 <u>defined in chapter 7.72 RCW.</u>
- 31 <u>(4)</u> The immunity provided by this section does not apply to the 32 negligent preparation of design plans and specifications <u>by a design</u> 33 <u>professional</u>.
- (((3))) (<u>5)</u> For the purposes of this section, "design professional" means an architect, professional engineer, land surveyor, or landscape architect, who is licensed or authorized by law to practice such profession, or any corporation organized under chapter 18.100 RCW or authorized under RCW 18.08.420 or 18.43.130 to render design services through the practice of one or more of such professions.

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- 2 **Sec. 701.** RCW 46.61.688 and 1990 c 250 s 58 are each amended to 3 read as follows:
- 4 (1) For the purposes of this section, the term "motor vehicle" 5 includes:
- 6 (a) "Buses," meaning motor vehicles with motive power, except
 7 trailers, designed to carry more than ten passengers;
- 8 (b) "Multipurpose passenger vehicles," meaning motor vehicles with 9 motive power, except trailers, designed to carry ten persons or less 10 that are constructed either on a truck chassis or with special features 11 for occasional off-road operation;
- 12 (c) "Passenger cars," meaning motor vehicles with motive power, 13 except multipurpose passenger vehicles, motorcycles, or trailers, 14 designed for carrying ten passengers or less; and
- 15 (d) "Trucks," meaning motor vehicles with motive power, except 16 trailers, designed primarily for the transportation of property.
- 17 (2) This section only applies to motor vehicles that meet the 18 manual seat belt safety standards as set forth in federal motor vehicle 19 safety standard 208. This section does not apply to a vehicle occupant 20 for whom no safety belt is available when all designated seating 21 positions as required by federal motor vehicle safety standard 208 are 22 occupied.
- (3) Every person sixteen years of age or older operating or riding in a motor vehicle shall wear the safety belt assembly in a properly adjusted and securely fastened manner.
- 26 (4) No person may operate a motor vehicle unless all passengers 27 under the age of sixteen years are either wearing a safety belt 28 assembly or are securely fastened into an approved child restraint 29 device.
- (5) A person violating this section shall be issued a notice of traffic infraction under chapter 46.63 RCW. A finding that a person has committed a traffic infraction under this section shall be contained in the driver's abstract but shall not be available to insurance companies or employers.
- 35 (6) ((Failure to comply with the requirements of this section does 36 not constitute negligence, nor may failure to wear a safety belt 37 assembly be admissible as evidence of negligence in any civil action.

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- (7)) Enforcement of this section by law enforcement officers may be accomplished only as a secondary action when a driver of a motor vehicle has been detained for a suspected violation of Title 46 RCW or an equivalent local ordinance or some other offense.
- (((8))) (7) This section does not apply to an operator or passenger who possesses written verification from a licensed physician that the operator or passenger is unable to wear a safety belt for physical or medical reasons.
- 9 $((\frac{(9)}{)})$ (8) The state patrol may adopt rules exempting operators or occupants of farm vehicles, construction equipment, and vehicles that 11 are required to make frequent stops from the requirement of wearing 12 safety belts.

13 PART 8--HEALTH PLAN LIABILITY

- NEW SECTION. **Sec. 801.** A new section is added to chapter 4.24 RCW to read as follows:
- A health care provider, as defined in RCW 48.43.005, is not liable for liability assumed under contract resulting from the decision of a third-party payer or others not to pay for or provide reimbursement for health care services recommended by the health care provider when:
- (1) The health care provider complies with any formal or informal avenues of appeal made available by the third-party payer or others under a health plan, as defined in RCW 48.43.005, or under any other contract or policy providing or paying for health care benefits or services; and
- 25 (2) The health care provider advises the patient to obtain the 26 recommended care, even if not covered by the third-party payer, and 27 informs the patient of the potential risks in not obtaining the 28 recommended health care services.
- This section is not intended to express any legislative intent, express or implied, about the enforceability of a contractual assumption of liability when subsection (1) or (2) of this section are not satisfied.
- This section is not intended to establish a standard of medical care.

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PART 9--MISCELLANEOUS

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- 1 <u>NEW SECTION.</u> **Sec. 901.** Sections 101 through 106 of this act
- 2 constitute a new chapter in Title 4 RCW.
- 3 <u>NEW SECTION.</u> **Sec. 902.** Part headings used in this act do not
- 4 constitute any part of the law.
- 5 <u>NEW SECTION.</u> **Sec. 903.** If any provision of this act or its
- 6 application to any person or circumstance is held invalid, the
- 7 remainder of the act or the application of the provision to other
- 8 persons or circumstances is not affected.

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