

SENATE BILL REPORT

SB 5708

As Passed Senate, March 13, 2001

Title: An act relating to insurance coverage for injuries sustained because of alcohol or narcotic use.

Brief Description: Preventing denial of insurance coverage for injuries caused by narcotic or alcohol use.

Sponsors: Senators Patterson, Prentice and Shin.

Brief History:

Committee Activity: Health & Long-Term Care: 2/21/01, 2/27/01 [DP].

Passed Senate: 3/13/01, 31-16.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Thibaudeau, Chair; Franklin, Vice Chair; Costa, Deccio, Fraser, Parlette and Winsley.

Staff: Jonathan Seib (786-7427)

Background: Current law, first adopted in 1947 as part of the Uniform Policy Provision Law, explicitly allows individual disability insurance policies to include a provision under which the insurer may deny payment for the treatment of injuries sustained as a consequence of the insured person being intoxicated or under the influence of a narcotic.

This law applies only to individual disability insurance policies, and even in those policies may not be frequently used. There is concern, however, that the mere existence of the law discourages proper treatment on a more general basis. Trauma centers, for example, may not measure the blood alcohol level of an injured patient because of the possibility that doing so will result in payment denial. By not measuring blood alcohol level, the opportunity to identify those who could benefit from alcohol or substance abuse counseling may be missed.

The Governor's Council on Substance Abuse recently recommended that this law be repealed.

Summary of Bill: The law allowing individual disability insurance policies to deny payment for the treatment of injuries sustained as a consequence of the insured person being intoxicated or under the influence of a narcotic is repealed.

All health carriers are explicitly prohibited from denying coverage for the treatment of an injury solely because the injury was sustained as a consequence of the insured's being intoxicated or under the influence of alcohol.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Due to concerns that payment will be denied to the medical provider when a blood alcohol level is documented, physicians and medical directors routinely avoid drawing a blood alcohol level for persons injured in car crashes and other accidents. As a result, the current law has been ineffective in controlling insurance costs. Rather, it presents a barrier to appropriate care and alcoholism treatment referral by ignoring symptoms for diagnosis of this treatable disease. There is compelling evidence to suggest that society would benefit far more by documenting alcohol impairment and offering brief chemical dependency treatment in trauma centers than is gained by threat of refusing payment for medical treatment.

Testimony Against: None.

Testified: PRO: Senator Patterson, prime sponsor; Larry Gentilello, M.D.; American Association for the Surgery of Trauma, Harborview Medical Center; Juris Macs, M.D., EMS-Trauma Prevention; Ken Stark; DSHS DASA; Cleve Thompson, Governor's Council of Substance Abuse; Karen Monahan; MADD.