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HOUSE BILL 1618

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State of Washington

57th Legislature

2001 Regular Session

By Representatives Cairnes and Keiser

Read first time 01/31/2001. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to service providers who pass on costs to casualty  
2 or property insurers; and amending RCW 48.30A.015.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 48.30A.015 and 1995 c 285 s 3 are each amended to read  
5 as follows:

6 (1) It is unlawful for a person:

7 (a) Knowing that the payment is for the referral of a claimant to  
8 a service provider, either to accept payment from a service provider  
9 or, being a service provider, to pay another; or

10 (b) To provide or claim or represent to have provided services to  
11 a claimant, knowing the claimant was referred in violation of (a) of  
12 this subsection.

13 (2) It is unlawful for a service provider to engage in a regular  
14 practice of waiving, rebating, giving, paying, or offering to waive,  
15 rebate, give, or pay all or any part of a claimant's casualty or  
16 property insurance deductible if the costs of such practices are passed  
17 on to an insurer, and if a consumer indicates his or her intention of  
18 making a claim for property repair from his or her casualty or property  
19 insurer, to:

1       (a) Commence the work without first giving the consumer oral and  
2 written notice of:

3       (i) The total estimated cost of the repair; and

4       (ii) The total dollar amount the consumer is responsible to pay for  
5 the repair, which dollar amount may not exceed the applicable  
6 deductible or other copay arrangement in the consumer's insurance  
7 policy; or

8       (b) Request or collect from a consumer an amount that exceeds the  
9 dollar amount a consumer was initially told he or she was responsible  
10 to pay as an insurance deductible or other copay arrangement for repair  
11 of the property under (a) of this subsection, even if that amount is  
12 less than the full amount the casualty or property insurance policy  
13 requires the insured to pay as a deductible or other copay arrangement,  
14 unless:

15       (i) The consumer's insurance company denies coverage exists for the  
16 repair, in which case, the full amount of the repair may be charged and  
17 collected from the consumer;

18       (ii) The consumer misstates, before the repair is commenced, the  
19 amount of the deductible or other copay arrangement, in which case, the  
20 service provider may charge and collect from the consumer an amount  
21 that does not exceed the actual amount of the consumer's deductible or  
22 other copay arrangement; or

23       (iii) The casualty or property insurer reimburses the consumer  
24 directly rather than the service provider, in which case the service  
25 provider may seek payment of the full amount of the insurance  
26 reimbursement over and above any amounts stated in (a) of this  
27 subsection.

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