
**Financial Institutions &
Insurance Committee**

HB 2014

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

Sponsors: Representatives Flannigan, Delvin, Kirby, Moeller, Lovick, Lantz, Simpson, G., Shabro, Edwards and Kagi.

Brief Summary of Bill

- Prohibits health insurers from denying coverage for the treatment of an injury solely because the injury resulted from the use of alcohol or narcotics.
- Repeals the law allowing disability insurers to deny coverage.

Hearing Date: 1/16/04

Staff: Carrie Tellefson (786-7127).

Background:

Disability Insurance:

The Insurance Commissioner is responsible for licensing and regulating insurance companies, including health carriers, in the state of Washington. Health carriers include disability insurers, health care service contractors, or health maintenance organizations. Disability insurers may offer health coverage to individuals or groups, which is typically a "fee for service" type of health coverage.

Treatment for Traumatic Injuries:

Individuals involved in traumatic accidents are transported to hospital emergency rooms where they are admitted and screened to determine a course of treatment for their injuries. Payment for care may be coordinated with the responsible insurer or health carrier.

During the initial screening, emergency room personnel may determine if a patient is under the influence of narcotics or alcohol and may provide treatment. According to a 2000 study by the National Highway Traffic Safety Administration, between 25 and 40 percent of trauma patients also experience chronic alcoholism. In addition, the study provides the following:

- Alcoholism results in repeated episodes of trauma, drunk driving, and alcohol related crashes.
- Trauma patients with alcohol problems are more than twice as likely to be readmitted with injuries in the two years following their initial injury than patients without alcoholism.
- Brief interventions are effective in decreasing problem drinking and lowering subsequent health care use.

A disability insurer may deny payment for the treatment of injuries resulting from alcohol or narcotics use, unless the alcohol or narcotics were administered under the advice of a physician. There are no statutory provisions with respect to other types of health insurance.

Summary of Bill:

All health carriers are explicitly prohibited from denying coverage for the treatment of an injury solely because the injury resulted from the use of alcohol or narcotics.

The law allowing individual disability insurers to deny payment for the treatment of injuries resulting from the use of alcohol or narcotics is repealed.

The provisions of the bill apply to all contracts issued or renewed on or after the effective date of the bill.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.