

HOUSE BILL REPORT

HB 2014

As Reported by House Committee On:

Financial Institutions & Insurance

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

Brief History:

Committee Activity:

Financial Institutions & Insurance: 3/4/03, 3/5/03 [DPS].

Brief Summary of Substitute Bill

- Prohibits health insurers 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 narcotics.
- Repeals the law allowing such a denial of coverage.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Schual-Berke, Chair; Simpson, Vice Chair; Cooper, Hatfield, Hunter and Santos.

Minority Report: Do not pass. Signed by 5 members: Representatives Benson, Ranking Minority Member; Newhouse, Assistant Ranking Minority Member; Cairnes, Carrell and Roach.

Staff: Thamas Osborn (786-7129).

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.

Summary of Substitute Bill:

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 narcotics.

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of injuries sustained as a consequence of the insured person being intoxicated or under the influence of a narcotic is repealed.

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

Substitute Bill Compared to Original Bill:

The substitute bill deletes a sentence from the intent section regarding the perceptions of health care providers.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: (Original bill) The purpose of the bill is to encourage hospital emergency room staff to screen patients for substance abuse. Because of current law, many emergency room physicians are reluctant to evaluate substance abuse problems during the course of treatment for fear that insurers might disallow coverage if substance abuse is indicated. A large percentage of emergency room traffic involves individuals with substance abuse problems. Studies have shown that substance abuse intervention by emergency room staff benefits patients and greatly reduces the likelihood of subsequent accidents.

Testimony Against: None.

Testified: Representative Flannigan, prime sponsor; and Priscilla Lisicich, Governor's

Council on Drug Abuse.