

RCW 48.32A.185 Prohibited advertisement of insurance guaranty association act in insurance sales—Notice to policy owners. (1) No person, including a member insurer, agent, or affiliate of a member insurer may make, publish, disseminate, circulate, or place before the public, or cause directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in any newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio station or television station, or in any other way, any advertisement, announcement, or statement, written or oral, which uses the existence of the insurance guaranty association of this state for the purpose of sales, solicitation, or inducement to purchase any form of insurance or other coverage covered by the Washington life and disability insurance guaranty association act. However, this section does not apply to the Washington life and disability insurance guaranty association or any other entity which does not sell or solicit insurance or coverage by a health care service contractor or health maintenance organization.

(2) The association shall prepare a summary document describing the general purposes and current limitations of this chapter and complying with subsection (3) of this section. This summary document must be submitted to the commissioner for approval. The summary document must also be available upon request by a policy owner, contract owner, certificate owner, or enrollee. The distribution, delivery, contents, or interpretation of this document does not guarantee that either the policy or the contract or the policy owner, contract owner, certificate holder, or enrollee is covered in the event of the impairment or insolvency of a member insurer. The summary document must be revised by the association as amendments to this chapter may require. Failure to receive this document does not give the policy owner, contract owner, certificate holder, enrollee, or insured any greater rights than those stated in this chapter.

(3) The summary document prepared under subsection (2) of this section must contain a clear and conspicuous disclaimer on its face. The commissioner shall establish the form and content of the disclaimer. The disclaimer must:

(a) State the name and address of the life and disability insurance guaranty association and insurance department;

(b) Prominently warn the policy owner, contract owner, certificate holder, or enrollee that the life and disability insurance guaranty association may not cover the policy or contract or, if coverage is available, it is subject to substantial limitations and exclusions and conditioned on continued residence in this state;

(c) State the types of policies or contracts for which guaranty funds provide coverage;

(d) State that the member insurer and its agents are prohibited by law from using the existence of the life and disability insurance guaranty association for the purpose of sales, solicitation, or inducement to purchase any form of insurance, health care service contractor coverage, or health maintenance organization coverage;

(e) State that the policy owner, contract owner, certificate holder, insured, or enrollee should not rely on coverage under the life and disability insurance guaranty association when selecting an insurer, health care service contractor, or health maintenance organization;

(f) Explain rights available and procedures for filing a complaint to allege a violation of any provisions of this chapter; and

(g) Provide other information as directed by the commissioner including but not limited to, sources for information about the financial condition of member insurers provided that the information is not proprietary and is subject to disclosure under chapter 42.56 RCW.

(4) A member insurer must retain evidence of compliance with subsection (2) of this section for as long as the policy or contract for which the notice is given remains in effect. [2022 c 151 s 12; 2005 c 274 s 313; 2001 c 50 s 19.]