

WAC 284-20B-170 Exemption for insurance forms issued to large commercial property and casualty accounts. (1) Under RCW 48.18.103 (3)(a), the commissioner exempts forms issued to insure a large commercial property and casualty account from filing requirements under chapter 48.18 RCW.

(2) For purposes of this section, "large commercial property and casualty account" means property and casualty insurance as defined in WAC 284-24-001(10) that is purchased by a business, not-for-profit organization, or public entity with enough insurance buying experience to negotiate with insurers in a largely unregulated environment and meets any two of the following criteria:

(a) Annual premiums of one hundred thousand dollars or more, excluding workers compensation insurance issued by the department of labor and industries and types of insurance listed in subsection (3) of this section;

(b) Net revenues or sales in excess of one hundred million dollars;

(c) More than two hundred employees;

(d) Net worth over fifty million dollars;

(e) Is a not-for-profit organization or public entity with an annual budget or assets of at least forty-five million dollars;

(f) Is a municipality with a population over fifty thousand.

(3) The exemption provided by this section does not apply to:

(a) Professional liability insurance policies, including all types of malpractice and errors and omissions insurance;

(b) Reimbursement insurance policies that indemnify service contract providers or protection product guarantee providers for contractual obligations assumed under a service contract or protection product guarantee; and

(c) Master policies under which insurers issue certificates of coverage to individual consumers, households, businesses, or other organizations.

(4) Before an insurer issues an insurance policy under this section, the insurer or its insurance producer must send written notice to the insured that says the:

(a) Insurer has not filed the forms with the commissioner; and

(b) Commissioner has not reviewed and approved the forms.

(5) The Washington insurance examining bureau will not audit property forms used to insure large commercial property and casualty accounts under WAC 284-20-006.

(6) If grounds exist under RCW 48.18.110(1), the commissioner may disapprove a form used to insure a large commercial property and casualty account. If the commissioner disapproves a form under RCW 48.18.110(1), the insurer must construe the form under the provisions of RCW 48.18.510.

(7) Each insurer must keep copies of forms used to insure large commercial property and casualty accounts for at least six years after the date the insurer issues a policy under this section. The insurer must make these records available to the commissioner upon request.

[Statutory Authority: RCW 48.02.060, 48.110.150. WSR 08-21-091 (Matter No. 2007-11), § 284-20B-170, filed 10/15/08, effective 2/1/09.]