CERTIFICATION OF ENROLLMENT

HOUSE BILL 1832

Chapter 186, Laws of 1993

53rd Legislature
1993 Regular Session

MALPRACTICE INSURANCE--MIDTERM BLANKET RATE
REDUCTION NOT A RENEWAL

EFFECTIVE DATE: 7/25/93

Passed by the House March 15, 1993
Yeas 98 Nays 0

BRIAN EBERSOLE
Speaker of the
House of Representatives

Passed by the Senate April 9, 1993
Yeas 45 Nays 0

JOEL PRITCHARD
President of the Senate

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 1832 as passed by the House of Representatives and the Senate on the dates hereon set forth.

ALAN THOMPSON
Chief Clerk

Approved April 30, 1993

FILED

April 30, 1993 - 2:49 p.m.

MIKE LOWRY
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to midterm rate decreases for medical malpractice insurance; and amending RCW 48.18.290.

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

Sec. 1. RCW 48.18.2901 and 1988 c 249 s 3 are each amended to read as follows:

(1) Each insurer shall be required to renew any contract of insurance subject to RCW 48.18.290 unless one of the following situations exists:

(a) The insurer gives the named insured at least forty-five days’ notice in writing as provided for in RCW 48.18.290, that it proposes to refuse to renew the insurance contract upon its expiration date; and sets forth therein the actual reason for refusing to renew; or

(b) At least twenty days prior to its expiration date, the insurer has communicated, either directly or through its agent, its willingness to renew in writing to the named insured and has included therein a statement of the amount of the premium or portion thereof required to be paid by the insured to renew the policy, and the insured fails to discharge when due his or her obligation in connection with the payment of such premium or portion thereof; or
(c) The insured has procured equivalent coverage prior to the expiration of the policy period; or

(d) The contract is evidenced by a written binder containing a clearly stated expiration date which has expired according to its terms.

(2) Any insurer failing to include in the notice required by subsection (1)(b) of this section the amount of any increased premium resulting from a change of rates and an explanation of any change in the contract provisions shall renew the policy if so required by that subsection according to the rates and contract provisions applicable to the expiring policy: PROVIDED, That renewal based on the rates and contract provisions applicable to the expiring policy shall not prevent the insurer from making changes in the rates and/or contract provisions of the policy once during the term of its renewal after at least twenty days' advance notice of such change has been given to the named insured.

(3) Renewal of a policy shall not constitute a waiver or estoppel with respect to grounds for cancellation which existed before the effective date of such renewal, or with respect to cancellation of fire policies under chapter 48.53 RCW.

(4) "Renewal" or "to renew" means the issuance and delivery by an insurer of a contract of insurance replacing at the end of the contract period a contract of insurance previously issued and delivered by the same insurer, or the issuance and delivery of a certificate or notice extending the term of a contract beyond its policy period or term: PROVIDED, HOWEVER, That any contract of insurance with a policy period or term of six months or less whether or not made continuous for successive terms upon the payment of additional premiums shall for the purpose of RCW 48.18.290 and 48.18.293 through 48.18.295 be considered as if written for a policy period or term of six months: PROVIDED, FURTHER, That any policy written for a term longer than one year or any policy with no fixed expiration date, shall, for the purpose of RCW 48.18.290 and 48.18.293 through 48.18.295, be considered as if written for successive policy periods or terms of one year.

(5) A midterm blanket reduction in rate, approved by the commissioner, for medical malpractice insurance shall not be considered a renewal for purposes of this section.
Passed the House March 15, 1993.
Passed the Senate April 9, 1993.
Approved by the Governor April 30, 1993.
Filed in Office of Secretary of State April 30, 1993.