

# Chapter 284-02 WAC

## INSURANCE COMMISSIONER'S OFFICE—GENERALLY

### WAC

284-02-010	SHIBA.
284-02-070	Hearings.
284-02-100	Petition for adoption, amendment, or repeal of rules.
284-02-105	Sending or delivery of information to the commissioner.

### DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

284-02-020	Organization and operations. [Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-020, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060. WSR 92-23-009 (Order R 92-18), § 284-02-020, filed 11/6/92, effective 12/7/92. Statutory Authority: RCW 48.02.060 (3)(a). WSR 91-17-013 (Order R 91-5), § 284-02-020, filed 8/13/91, effective 9/13/91. Statutory Authority: RCW 48.02.060 and 48.02.160(3). WSR 90-17-058 (Order R 90-8), § 284-02-020, filed 8/14/90, effective 9/14/90. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-020, filed 11/18/88; Order R-68-6, § 284-02-020, filed 8/23/68, effective 9/23/68.] Repealed by WSR 07-01-048 (Matter No. R 2003-09), filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220.
284-02-023	How is the OIC organized? [Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-023, filed 12/14/06, effective 1/14/07.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.
284-02-025	How is the OIC funded? [Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-025, filed 12/14/06, effective 1/14/07.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.
284-02-030	How can service of process over foreign and alien insurers be made? [Statutory Authority: RCW 48.02.060 (3)(a) and 48.17.010(5). WSR 11-01-159 (Matter No. R 2010-09), § 284-02-030, filed 12/22/10, effective 1/22/11. Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-030, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-030, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 91-17-013 (Order R 91-5), § 284-02-030, filed 8/13/91, effective 9/13/91; WSR 88-23-079 (Order R 88-10), § 284-02-030, filed 11/18/88; Order R-68-6, § 284-02-030, filed 8/23/68, effective 9/23/68.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.
284-02-040	Where can information about applying for a license as an adjuster or insurance producer, surplus line broker or title insurance agent be found? [Statutory Authority: RCW 48.02.060 (3)(a) and 48.17.010(5). WSR 11-01-159 (Matter No. R 2010-09), § 284-02-040, filed 12/22/10, effective 1/22/11. Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-040, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-040, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-040, filed 11/18/88; Order R-68-6, § 284-02-040, filed 8/23/68, effective 9/23/68.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.

### 284-02-050

Where can information and applications for admission as an authorized insurer, fraternal benefit society, health care service contractor, health maintenance organization, viatical settlement provider, and for other entities required to be authorized to transact the business of insurance be found? [Statutory Authority: RCW 48.02.-060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-050, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-050, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-050, filed 11/18/88; Order R-68-6, § 284-02-050, filed 8/23/68, effective 9/23/68.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.

### 284-02-060

Where can information regarding filing a complaint against a company, insurance producer, surplus line broker, title insurance agent, adjuster, or other person or entity authorized by the OIC be found? [Statutory Authority: RCW 48.02.060 (3)(a) and 48.17.010(5). WSR 11-01-159 (Matter No. R 2010-09), § 284-02-060, filed 12/22/10, effective 1/22/11. Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-060, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-060, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-060, filed 11/18/88; Order R-68-6, § 284-02-060, filed 8/23/68, effective 9/23/68.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.

### 284-02-080

What publications and information are available from the OIC? [Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-080, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-080, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-080, filed 11/18/88; Order R-68-6, § 284-02-080, filed 8/23/68, effective 9/23/68.] Repealed by WSR 12-11-022 (Matter No. R 2012-01), filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 and 34.05.220.

### 284-02-090

Public access to information and records. [Order R-75-2, § 284-02-090, filed 5/19/75.] Repealed by WSR 07-01-048 (Matter No. R 2003-09), filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220.

**WAC 284-02-010 SHIBA.** The OIC offers assistance statewide to consumers regarding health care insurance and health care access through its statewide health insurance benefits advisors (SHIBA) program. Volunteers are trained by OIC employees to provide counseling, education, and other assistance to residents of Washington. Information about SHIBA, including how to become a SHIBA volunteer, can be found on the OIC web site [www.insurance.wa.gov](http://www.insurance.wa.gov).

[Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 12-11-022 (Matter No. R 2012-01), § 284-02-010, filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 (3)(a) and 48.17.010(5). WSR 11-01-159 (Matter No. R 2010-09), § 284-02-010, filed 12/22/10, effective 1/22/11. Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 07-01-048 (Matter No. R 2003-09), § 284-02-010, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter

No. R 96-3), § 284-02-010, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-010, filed 11/18/88; Order R-68-6, § 284-02-010, filed 8/23/68, effective 9/23/68.]

**WAC 284-02-070 Hearings.** (1)(a) Hearings of the OIC are conducted according to chapter 48.04 RCW and chapter 34.05 RCW, the Administrative Procedure Act. Two specific types of hearings are conducted pursuant to the Administrative Procedure Act: Rule-making hearings and adjudicative proceedings. Adjudicative proceedings include both contested case hearings and other types of adjudicative proceedings which are required by law. Contested case hearings include appeals from disciplinary actions taken by the commissioner.

(b) **How to demand a hearing.** Under RCW 48.04.010 the commissioner is required to hold a hearing upon demand by any person aggrieved by any act, threatened act, or failure of the commissioner to act, if the failure is deemed an act under the insurance code or the Administrative Procedure Act.

(i) A hearing can also be demanded by an aggrieved person based on any report, promulgation, or order of the commissioner.

(ii) Demands for hearings must be in writing and delivered to the Tumwater office of the OIC by mail, hand delivery, facsimile, or e-mail. Unless a person aggrieved by an order of the commissioner demands a hearing within ninety days after receiving notice of that order, or in the case of persons or entities authorized by the OIC to transact the business of insurance under Title 48 RCW, within ninety days after the order was mailed to the most recent address shown in the OIC's licensing records, the right to a hearing is conclusively deemed to have been waived. A hearing is considered demanded when the demand for hearing is received by the commissioner.

(c) Accommodation will be made for persons needing assistance due to difficulty with language or disability.

**(2) Procedural and substantive requirements for adjudicative proceedings including contested cases.**

(a) Provisions applicable to adjudicative proceedings are contained in chapter 48.04 RCW and chapter 34.05 RCW, the Administrative Procedure Act, and chapter 10.08 WAC.

(b) Substantive provisions specifically relating to action taken against persons or entities authorized by the OIC to transact the business of insurance are contained in RCW 48.17.530, 48.17.540, 48.17.550, 48.17.560, chapter 48.102 RCW, and other chapters related to specific licenses. The grounds for disciplinary action against insurance producers, title insurance agents and adjusters are contained in RCW 48.17.530 and 48.17.540(1); grounds for disciplinary action against surplus line brokers are contained in RCW 48.15.140; grounds for similar action against insurance companies are contained in RCW 48.05.130 and 48.05.140; grounds for actions against fraternal benefit societies are found in RCW 48.36A.310; grounds for actions against life settlement providers are found in chapter 48.102 RCW; grounds for actions against health care service contractors are contained in RCW 48.44.160; grounds for action against health maintenance organizations are contained in RCW 48.46.130; grounds for actions against other persons or entities authorized by the

OIC under Title 48 RCW are found in the chapters of Title 48 RCW applicable to those licenses; grounds for action against unauthorized individuals or entities are found generally throughout Title 48 RCW.

(c) The commissioner may suspend or revoke any license, certificate of authority, or registration issued by the OIC. In addition, the commissioner may generally levy fines against any persons or organizations having been authorized by the OIC.

(d) Adjudicative proceedings or contested case hearings of the insurance commissioner are informal in nature, and compliance with the formal rules of pleading and evidence is not required.

(i) The insurance commissioner may delegate the authority to hear and determine the matter and enter the final order under RCW 48.02.100 and 34.05.461 to a chief presiding officer. The commissioner may appoint a chief presiding officer who will have primary responsibility for the conduct of hearings, the procedural matters preliminary thereto, and the preservation of hearing records. The position of chief presiding officer does not report to any of the major divisions of the OIC. The commissioner may also use the services of an administrative law judge in accordance with chapter 34.12 RCW and chapter 34.05 RCW, the Administrative Procedure Act. The initial order of an administrative law judge will not become a final order without the commissioner's review (RCW 34.05.464) and entry of a final order.

(ii) The hearing will be recorded by any method chosen by the chief presiding officer. Except as required by law, the OIC is not required, at its expense, to prepare a transcript. Any party, at the party's expense, may cause a reporter approved by the chief presiding officer to prepare a transcript from the agency's record, or cause additional recordings to be made during the hearing if, in the opinion of the presiding officer, the making of the additional recording does not cause distraction or disruption. If appeal from the insurance commissioner's order is made to the superior court, the recording of the hearing will be transcribed and certified to the court after confirmation of payment of all costs for the transcription by the appellant.

(iii) The commissioner or the chief presiding officer may allow any person affected by the hearing to be present during the giving of all testimony and will allow the aggrieved person a reasonable opportunity to inspect all documentary evidence, to examine witnesses, and to present evidence. Any person heard must make full disclosure of the facts pertinent to the inquiry under oath.

(iv) Prehearing or other conferences for settlement or simplification of issues may be held at the discretion and direction of the chief presiding officer.

(e) Discovery is available in adjudicative proceedings pursuant to Civil Rules 26 through 37 as now or hereafter amended without first obtaining the permission of the presiding officer or the administrative law judge in accordance with RCW 34.05.446(2).

(i) Civil Rules 26 through 37 are adopted and incorporated by reference in this section, with the exception of CR 26 (j) and (3) and CR 35, which are not adopted for purposes of this section.

(ii) The chief presiding officer or administrative law judge is authorized to make any order that a court could make

under CR 37 (a) through (e), including an order awarding expenses of the motion to compel discovery or dismissal of the action.

(iii) This rule does not limit the chief presiding officer's or administrative law judge's discretion and authority to conduct or limit discovery as set forth in RCW 34.05.446(3).

(3) **Rule-making hearings.** Rule-making hearings are conducted based on requirements found in chapter 34.05 RCW, the Administrative Procedure Act and chapter 34.08 RCW (the State Register Act).

(a) Under applicable law all interested parties must be provided an opportunity to express their views concerning a proposed rule, either orally or in writing. The OIC will accept comments on proposed rules by mail, telefacsimile, or e-mail but will not accept comments by recorded telephonic communication or voice mail (RCW 34.05.325(3)).

(b) Notice of intention of the insurance commissioner to adopt a proposed rule or amend an existing rule is published in the state register and is sent to anyone who has requested notice in advance and to persons who the OIC determines would be particularly interested in the proceeding. Persons requesting paper copies of all proposed rule-making notices of inquiry and hearing notices may be required to pay the cost of mailing these notices (RCW 34.05.320(3)).

(c) Copies of proposed new rules and amendments to existing rules as well as information related to how the public may file comments are available on the OIC web site [www.insurance.wa.gov](http://www.insurance.wa.gov).

[Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 12-11-022 (Matter No. R 2012-01), § 284-02-070, filed 5/7/12, effective 6/7/12. Statutory Authority: RCW 48.02.060 (3)(a) and 48.17.010(5). WSR 11-01-159 (Matter No. R 2010-09), § 284-02-070, filed 12/22/10, effective 1/22/11. Statutory Authority: RCW 48.02.060 and 34.05.446(2). WSR 09-19-001 (Matter No. R 2008-24), § 284-02-070, filed 9/2/09, effective 10/3/09. Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 08-14-170 (Matter No. R 2008-10), § 284-02-070, filed 7/2/08, effective 8/2/08; WSR 07-01-048 (Matter No. R 2003-09), § 284-02-070, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-070, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 91-17-013 (Order R 91-5), § 284-02-070, filed 8/13/91, effective 9/13/91; WSR 88-23-079 (Order R 88-10), § 284-02-070, filed 11/18/88; Order R-68-6, § 284-02-070, filed 8/23/68, effective 9/23/68.]

**WAC 284-02-100 Petition for adoption, amendment, or repeal of rules.** (1) Any person may petition the insurance commissioner requesting the adoption, amendment, or repeal of any rule using the procedures set forth in RCW 34.05.330. The petition must be in writing, dated, and signed by the petitioner. In addition to the information listed in RCW 34.05.-330(3), each petition must include the following information:

(a) The name and address of the person requesting the action, and, if relevant, the background and identity of the petitioner and the interest of the petitioner in the subject matter of the rule;

(b) The full text of any proposed new or amendatory rule and the citation and caption of any existing rule to be amended or repealed;

(c) A narrative explaining the purpose and scope of any proposed new or amendatory rule including a statement generally describing the statutory authority relied upon by the petitioner, how the rule is to be implemented, the reasons for

the proposed action, accompanied by necessary or pertinent data in support of the new rule or amendment; and

(d) Statements from other persons in support of the action petitioned are encouraged, if they help the OIC to understand why the new rule or amendment is needed.

(2) For information concerning the subjects of rules being proposed, or to request paper copies of rules or copies of materials presented to the commissioner during the rule-making process, members of the public may contact the agency's rules coordinator. The name, address, and phone number of the rules coordinator are available on the OIC web site and are published at least annually in the *Washington State Register*. Complete information regarding all rules being proposed is available on the OIC web site [www.insurance.wa.gov](http://www.insurance.wa.gov).

[Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 12-11-022 (Matter No. R 2012-01), § 284-02-100, filed 5/7/12, effective 6/7/12; WSR 07-01-048 (Matter No. R 2003-09), § 284-02-100, filed 12/14/06, effective 1/14/07. Statutory Authority: RCW 48.02.060 and 34.05.220 (1)(b). WSR 96-09-038 (Matter No. R 96-3), § 284-02-100, filed 4/10/96, effective 5/11/96. Statutory Authority: RCW 48.02.060 (3)(a). WSR 88-23-079 (Order R 88-10), § 284-02-100, filed 11/18/88.]

**WAC 284-02-105 Sending or delivery of information to the commissioner.** For purposes of complying with Titles 48 RCW and 284 WAC, whenever written notice to the commissioner is required, "sending" or "delivery" of the written notice includes transmitting the required information in writing and, where appropriate, on forms designated by the commissioner for that purpose via first class mail, commercial parcel delivery company, telefacsimile, or e-mail, unless the relevant requirement specifies sending the written notice in some specific manner, such as via first class mail, postage prepaid.

[Statutory Authority: RCW 48.02.060 and 34.05.220. WSR 12-11-022 (Matter No. R 2012-01), § 284-02-105, filed 5/7/12, effective 6/7/12; WSR 08-14-170 (Matter No. R 2008-10), § 284-02-105, filed 7/2/08, effective 8/2/08.]