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**Financial Institutions &  
Insurance Committee**

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**HB 1996**

**Brief Description:** Exempting certain private ambulance services from the insurance code.

**Sponsors:** Representatives Quall and Morris.

<p><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Exempts subscription ambulance services from the insurance code.</li></ul>
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**Hearing Date:** 2/23/05

**Staff:** Cece Clynch (786-7168).

**Background:**

The insurance code governs all insurance and insurance transactions in this state or affecting subjects located within this state. "Insurance" is defined as "a contract whereby one undertakes to indemnify another or pay a specified amount upon determinable contingencies." The insurance code protects consumers by various means, such as requiring: a certain level of reserves be on hand to pay claims; licensing of agents and brokers; registration; and, filing of forms and rates.

The availability of air ambulance service can be critical, particularly to island residents. Some persons may risk their health and forego calling for an air ambulance because the cost is too high. One air ambulance service which was previously available to Washington's island residents is no longer available. Being subject to insurance rules and regulations may affect availability of air ambulance services.

**Summary of Bill:**

At the very outset of the insurance code, specific provision is made indicating that the insurance code does not apply to "private ambulance services that solicit membership subscriptions, accept membership applications, charge membership fees, and furnish prepaid or discounted ambulance services, including both ground and air ambulance services, to subscription members and designated members of their household."

None of the requirements found in the insurance code would be applicable to these private ambulance services.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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