

SENATE BILL REPORT

SB 5452

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, February 17, 2005

Title: An act relating to genetic testing as a condition of life insurance.

Brief Description: Prohibiting genetic testing as a condition of life insurance.

Sponsors: Senators Franklin, Fairley, Stevens, Roach, Benson, Regala, Kline, Rockefeller, Rasmussen and Kohl-Welles.

Brief History:

Committee Activity: Financial Institutions, Housing & Consumer Protection: 2/2/05, 2/17/05[DPS].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5452 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Benson, Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Joyce Ahlering (360-786-7486)

Background: Family and personal medical histories are used by some insurance companies in an attempt to predict health conditions of potential policyholders. Insurance companies cite this information as key to spreading risks among their customers and keeping insurance costs down. Critics of genetic testing claim the tests are highly invasive and discriminatory, ranking individuals into risk pools based on mere predispositions.

Summary of Substitute Bill: Insurers cannot require a person to undergo a genetic test or provide previous genetic test results as a condition of life insurance. Insurers may use genetic information only if it proves the active presence of illness or disease.

Genetic information is defined as written or recorded information about genes, gene products, or genetic characteristics derived from an individual or a family member of an individual. Chemical, blood, and urine analyses are excluded from the definition, unless they are conducted to diagnose a genetic characteristic. Drug abuse testing, cholesterol and HIV tests, and family histories also are excluded from the definition of genetic information.

A genetic test is defined as a test of human DNA, RNA, mitochondrial DNA, chromosomes, or other material for the purpose of identifying genes, inherited or acquired genetic abnormalities, or the presence or absence of inherited or acquired characteristics in the genetic material. Cholesterol and HIV tests are excluded from the definition of genetic test.

Substitute Bill Compared to Original Bill: Life insurers may use genetic information if it shows the active presence of illness or disease. Genetic information is defined as written or recorded information about genes, gene products, or genetic characteristics derived from an individual or a family member of an individual. The definition excludes routine chemical, blood, and urine analyses; drug abuse testing; cholesterol and HIV tests; and family histories. The definition of a genetic test is also added in the substitute bill.

The original bill defined genetic information as information about inherited characteristics that can be derived from a DNA-based or other laboratory test, family history, or medical examination.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Everyone has genetic flaws of some kind. To require a life insurance applicant to find out or reveal genetic information stating mere predispositions would be interfering with the last frontier of personal privacy. Even if life insurers claim they do not use genetic information now, they could use or require genetic information in the future. Legislation must prevent insurers from raising insurance rates or denying life insurance based only on human propensity.

Testimony Against: Currently, there are no known life insurers who use or require genetic information in reviewing applications. However, traditional insurance underwriting involves the fair use of individual medical information and family histories to establish risk classification pools and keep prices low. Thus, insurers are very concerned about overly broad classifications of genetic information and prohibitions on the use of genetic information in insurance applications.

Who Testified: PRO: Senator Rosa Franklin, prime sponsor; Remy Trupin, Jewish Federation of Greater Seattle; Lonnie Johns-Brown, National Organization for Women.

CON: John Mangan, American Council of Life Insurers; Jeffrey Lawrence, Symetra Financial; Sharon Courlas, Farmers Insurance, American Council of Life Insurers.