
SENATE BILL 6280

State of Washington

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By Senators Madsen, M. Kreidler, Rasmussen, A. Smith, Wojahn, Moore, Talmadge, Murray and West

Read first time 01/23/92. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to long-term care insurance; amending RCW 48.84.020
2 and 48.84.040; and adding a new section to chapter 48.84 RCW.

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

4 **Sec. 1.** RCW 48.84.020 and 1986 c 170 s 2 are each amended to read
5 as follows:

6 Unless the context requires otherwise, the definitions in this
7 section apply throughout this chapter.

8 (1) "Long-term care insurance" or "long-term care benefit contract"
9 means any insurance policy or benefit contract primarily advertised,
10 marketed, offered, or designed to provide coverage or services for
11 either institutional or community-based convalescent, custodial,
12 chronic, or terminally ill care. Such terms do not include and this
13 chapter shall not apply to policies or contracts governed by chapter
14 48.66 RCW and continuing care retirement communities.

1 (2) "Loss ratio" means the incurred claims plus or minus the
2 increase or decrease in reserves as a percentage of the earned
3 premiums, or the projected incurred claims plus or minus the increase
4 or decrease in projected reserves as a percentage of projected earned
5 premiums, as defined by the commissioner.

6 (3) "Preexisting condition" means a covered person's medical
7 condition that caused that person to have received medical advice or
8 treatment during the specified time period before the effective date of
9 coverage.

10 (4) "Medicare" means Title XVIII of the United States social
11 security act, or its successor program.

12 (5) "Medicaid" means Title XIX of the United States social security
13 act, or its successor program.

14 (6) "Nursing home" means a nursing home as defined in RCW
15 18.51.010.

16 (7) "Home" means the residence of any person covered by an
17 insurance policy regulated by this chapter, except a hospital or a
18 nursing home.

19 (8) "Home care" means health services or assistance with at least
20 three activities of daily living as defined by the insurance
21 commissioner and delivered in the home of a person insured under a
22 policy regulated by this chapter.

23 **Sec. 2.** RCW 48.84.040 and 1986 c 170 s 4 are each amended to read
24 as follows:

25 No long-term care insurance policy or benefit contract may:

26 (1) Use riders, waivers, endorsements, or any similar method to
27 limit or reduce coverage or benefits;

28 (2) Indemnify against losses resulting from sickness on a different
29 basis than losses resulting from accidents;

1 (3) Be canceled, nonrenewed, or segregated at the time of rerating
2 solely on the grounds of the age or the deterioration of the mental or
3 physical health of the covered person;

4 (4) Exclude or limit coverage for preexisting conditions for a
5 period of more than one year prior to the effective date of the policy
6 or contract or more than six months after the effective date of the
7 policy or contract;

8 (5) ~~((Differentiate benefit amounts on the basis of the type or
9 level of nursing home care provided;~~

10 ~~(6))~~ Notwithstanding the provisions of RCW 48.20.052, deny a claim
11 or cancel coverage for reasons of material misrepresentation for an
12 ailment not disclosed on the application form if the ailment took place
13 more than ten years prior to the effective date of the coverage;

14 (6) Exclude coverage for home care; or

15 (7) Contain a provision establishing any new waiting period in the
16 event an existing policy or contract is converted to a new or other
17 form within the same company.

18 NEW SECTION. Sec. 3. A new section is added to chapter 48.84 RCW
19 to read as follows:

20 If a commercial insurer, health care service contractor, or health
21 maintenance organization, offers coverage to individual consumers under
22 this chapter, they shall also offer such coverage to all groups defined
23 in RCW 48.21.010. Insurance agents shall inform all present and
24 potential consumers that such coverage may also be purchased on a group
25 basis.