6725
Sponsor(s): Senators Franklin, Kline and Brown

Brief Description: Forming market assistance plans and joint underwriting associations.

SB 6725 - DIGEST

Requires the commissioner to create a Washington association to provide liability insurance for: (1) Adult family homes;
(2) Community residential programs;
(3) Contractors;
(4) Hospitals; or
(5) Health care clinics.
Requires the commissioner to provide notice, hold a hearing, and issue findings under chapter 48.04 RCW before forming an association.
Provides that the commissioner may not form an association unless the commissioner finds that the designated conditions are met.
Provides that an association must establish a risk management program for businesses or entities insured by the association. The risk management program must include: (1) Standards for systematic investigation and reporting of claims and incidents; and
(2) A loss control and prevention program. This program must include procedures that: (a) Analyze claim frequency, severity, and causes of loss; (b) identify situations that may produce large losses; (c) develop measures to control losses; (d) monitor the effectiveness of the loss control and prevention measures that are implemented; and (e) educate insured businesses or entities on methods to reduce and prevent losses.