

mission on equipment, but when a vehicle is so constructed or loaded that a hand and arm signal would not be visible both to the front and rear of such vehicle then said signals must be given by such a lamp or device. All vehicles whose body or load extends or protrudes twenty-four (24) inches or more to the left of the steering post of the said vehicle shall be equipped with mechanical or electrical signal devices capable of displaying such signals.

Devices  
required  
on certain  
vehicles.

Passed the House March 3, 1947.

Passed the Senate March 9, 1947.

Approved by the Governor March 21, 1947, with the exception of section 3A, which is vetoed.

## CHAPTER 268.

[ S. B. 177. ]

### HEALTH CARE SERVICES AND AGREEMENTS.

AN ACT relating to health care services and agreements pertaining thereto; requiring certain persons, corporations and associations to register with the Insurance Commissioner; prescribing duties of the Insurance Commissioner; providing penalties and declaring an emergency.

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. For the purposes of this act,

a. "Health Care Services" means and includes medical, surgical, hospital and other therapeutic services.

Definitions.  
"Health care  
services."

b. "Doctor" means any person lawfully licensed or authorized to render any health care services.

"Doctor."

c. "Health care service contractor" means any corporation, cooperative group or association, doctor, or group of doctors who or which, not otherwise being engaged in the insurance business, accepts prepayment for health care services from persons or groups of persons as consideration for providing such persons with any health care services.

"Health care  
service  
contractor."

“Participant.”

d. “Participant” means a doctor or hospital who or which has contracted in writing with a health care service contractor to accept payment from such contractor for any health care services rendered to a person who has previously paid such contractor for such services.

Agreements authorized.

SEC. 2. Any health care service contractor may enter into agreements with persons or groups of persons which require prepayment for health care services by such persons in consideration of such health care service contractor providing one or more health care services to such persons and such activity shall not be subject to the laws relating to insurance if the health care services are rendered by the health care service contractor or by a participant, or by a doctor or hospital designated by such health care service contractor or participant.

Not subject to insurance laws.

When agreements to provide for reimbursement or indemnity.

SEC. 3. If any of the health care services which are promised in any such agreement are not to be performed by the health care service contractor, or a participant, or a doctor or hospital designated by either of them, such activity shall not be subject to the laws relating to insurance, but such agreement shall contain provision for reimbursement or indemnity of the persons paying for such services which agreement shall either be underwritten by an insurance company authorized to write accident, health and disability insurance in the State of Washington or guaranteed by a surety company authorized to do business in this state, or guaranteed by a deposit of cash with the Insurance Commissioner, as hereinafter provided. If the agreement is underwritten by an insurance company, the contract or policy of insurance may designate the health care service contractor as the named insured, but shall be for the benefit of the persons who have paid for or contracted for such health care services. If the agreement is guaranteed by a surety company, the

To be underwritten by insurance company or guaranteed by surety company.

surety bond shall designate the State of Washington as the named obligee, but shall be for the benefit of the persons who have paid for or contracted for such health care services, and shall be in such amount as the Insurance Commissioner shall direct, but in no event in a sum greater than one-twelfth of the total sum of money received by the health care service contractor during the preceding twelve months as prepayment for health care services. A copy of such insurance policy or surety bond, as the case may be, and any modification thereof, shall be filed with the Insurance Commissioner. If the agreement is guaranteed by a deposit of cash, such deposit shall be in such amount as the Insurance Commissioner shall direct, but in no event in a sum greater than one-twelfth of the total sum of money received by the health care service contractor during the preceding twelve (12) months, as prepayment for health care services. Such cash deposit shall be held in trust by the Insurance Commissioner and shall be for the benefit of the persons who have paid for or contracted for such health care services. Upon receipt of satisfactory proof of the entry of a final judgment against any health care service contractor, based on the failure of such contractor to provide health care services according to the terms of the prepayment contract, the Insurance Commissioner shall immediately deposit the amount of said judgment, including costs and accrued interest in the registry of the Court for the benefit of the judgment creditor and shall notify the judgment creditor or his attorney of such deposit.

Conditions  
of contract  
or bond.

Copy to be  
filed with  
Insurance  
Commis-  
sioner.

Cash deposit.

Deposit into  
registry of  
court on  
proof of  
judgment.

SEC. 4. Every health care service contractor who or which enters into agreements which require prepayment for health care services shall within (60) days after the effective date of this act register with the Insurance Commissioner on forms to be prescribed and provided by him. Such registrants shall

Registration  
with Insur-  
ance Com-  
missioner.

Information to be furnished.

Copy of contract to be filed.

Changes in rates, contract, etc.

Fee for registration.

Regulations by Insurance Commissioner.

Violations.

Effective immediately.

state their name, address, type of organization, area of operation, type or types of health care services provided, and such other information as may reasonably be required by the Insurance Commissioner and shall file with such registration a copy of all contracts being offered and a schedule of all rates charged. No registrant shall change any rates, modify any contract, or offer any new contract, until he has filed a copy of the changed rate schedule, modified contract, or new contract with the Insurance Commissioner. The Insurance Commissioner shall charge a fee of ten dollars (\$10) for the filing of each original registration statement and may require each registrant to file a current re-registration statement annually thereafter.

SEC. 5. The Insurance Commissioner shall make reasonable regulations in aid of the administration of this act which may include, but shall not be limited to regulations concerning the maintenance of adequate insurance, bonds, or cash deposits, information required of registrants, and methods of expediting speedy and fair payments to claimants.

SEC. 6. Any person who violates any of the provisions of this act shall be guilty of a gross misdemeanor.

SEC. 7. This act is necessary for the immediate preservation of the public peace, health and safety and shall take effect immediately.

Passed the Senate March 3, 1947.

Passed the House March 8, 1947.

Approved by the Governor March 21, 1947.