MPL | MEDICAL PROFESSIONAL LIABILITY ASSOCIATION

October 6, 2025

Office of the Insurance Commissioner
302 Sid Snyder Ave., SW
Ste. 200
Olympia, WA 98501

Via email: rulescoordinator@oic.wa.gov

RE: R-2025-05 (Second Prepublication Draft) Clarifying and updating the minimum standards for claims handling

To Whom It May Concern:

On behalf of the Medical Professional Liability (MPL) Association and its more than four dozen domestic medical professional liability insurers and self-insured members, including entities domiciled and/or doing business in Washington, I am writing in regard to the second prepublication draft of proposed amendments to the minimum standards for claims handling (R-2025-05).

The MPL Association appreciates changes made to the prepublication draft of proposed amendments to the minimum standards for claims handling (R-2025-05) following the first round of comments. In particular, we would specifically like to commend the OIC for restoring references to "first party" claimants in WAC 284-30-380. That correction helps to address one of the Association's underlying concerns about the importance of recognizing the significant difference in claims handling between medical liability insurers and most other insurers.

Additional changes, however, would further acknowledge those differences and ensure medical professional liability insurers meet their insureds' needs without facing undue administrative burdens.

In this regard, we strongly recommend changing the "Authority and purpose" section of the draft (WAC 284-30-300) by deleting "with such frequency as to indicate a general business practice" from the current regulation. We understand the intent to address claims handling concerns before they become "frequent," but we do not believe that a single violation of the proposed regulations is sufficient to constitute an "unfair claims settlement ***practice*** [emphasis added]." As proposed, the draft amendment would subject insurers to liability even for the most inadvertent of errors, which does not seem to correspond to the actual intent of the regulation. In this regard, we recommend, in addition to the proposed deletion, replacing "if violated" with "if subject to repeated violations." This would allow the OIC to address unfair claims ***practices*** without requiring that action be taken against an insurer for a one-time mistake.

While acknowledging the improvement to "Standards for prompt investigation of a claim" (WAC 284-30-370) by changing the 30-day notification requirement to a 90-day notification requirement for MPL insurers, we must object to any new requirement to notify a claimant in writing at arbitrary intervals during the claims process. As noted previously, MPL insurance involves extremely complex claims which necessitate a long-term investigative approach. In fact, the claims process for MPL matters that go to litigation is regularly measured in terms of years, not weeks or months. This would be no surprise to a

claimant, who should have no expectation of a more rapid conclusion to their claim and thus no expectation that regular updates as to the status of a claim would be necessary. As such, the proposed language would serve only to increase the administrative burden on MPL insurers with no discernable benefit to the claimant. In this light we continue to recommend an explicit exemption from the ongoing investigation notification requirement for MPL insurers.

We appreciate this additional opportunity to comment on behalf of the medical professional liability insurers doing business in Washington. Should you have any questions about any of the above, please do not hesitate to contact me.

Sincerely,

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