

ETHEL'S BILL - HB 2415/SB 6182

Background

In March 2005, Ethel Adams was seriously injured in an accident caused by an act of road rage by Michael R. Testa. Testa rammed his girlfriend's truck causing it to swerve into oncoming traffic, hitting Ethel Adams.

Adams' insurance company refused to pay on her uninsured motorist policy claiming that because the accident was caused by an intentional act, her coverage did not apply.

The Problem

The law requires all automobile insurers in Washington to offer underinsured/uninsured motorist (UIM) coverage. This coverage is intended for situations where a person is injured by a vehicle whose owner is uninsured or underinsured.

The insurance company in Ethel Adams' case denied coverage based on a court case from several years ago. In 1990, the Washington State Supreme Court ruled that an individual with UIM coverage who was injured in a deliberate act by the driver of another vehicle may not be covered, even though they did not expect or intend the injury. Adams' insurance company applied this court case and denied her claim because she was driving her employer's insured vehicle and was hit by the vehicle of a person who was rammed intentionally by a third vehicle.

Our Solution

We propose that determining whether or not an incident was an "accident" for purposes of UIM coverage must be viewed from the claimant's perspective. If the UIM claimant did not expect or intend the injury, there must be coverage.

People purchase insurance for security, for peace of mind, and to ensure that when they are unexpectedly injured, they will have a source of recovery to help them pay their medical and other associated bills. Without our legislation, people who have purchased UIM coverage in an attempt to provide for unexpected injuries would have no coverage if the injury was in any way the result of an intentional act.

For example, a person hit by someone running a red light could be denied UIM coverage. Essentially, any time your insurance company could argue that your injuries were caused by an intentional act, it could deny UIM coverage. Under our proposed legislation, people receive what they expect to receive – coverage when the injury is unexpected and unintended.