OIC Rules Coordinator

From: Lara Wilcox <lara@westsoundinjurylaw.com>
Sent: Monday, August 4, 2025 4:19 PM
To: OIC Rules Coordinator
Subject: R2025-05 First Prepublication draft comment

External Email

Dear Sir or Madam:

I am writing in support of the proposed changes to WAC 284-300 through 400.

I cannot speak strongly enough for the need for stronger insurance regulations with greater clarity in the pertinent definitions, and clarity between RCW provisions and Washington state and federal case law.

I speak not only on the basis of what I have encountered time and time again in the handling of my clients' claims, but in the handling of my own auto property damage and injury claims. In my own claims, I have had to engage in great lengths to reach out to insurance adjusters and demand thorough information about the foundations for their claims decisions, only to receive virtually nothing meaningful in response.

In over ten years of practice, both plaintiff and defense, I do not think I have ever seen a complete claim file. The definition and contents of a "claim file" and whether it needs to be produced have been the subject of countless discovery motions at great expense of judicial and attorney resources over the years. Even when engaged as defense counsel in injury litigation, I was still only provided limited information and documentation from the insurance carrier that paid for the defense of my clients' cases. I have encountered matters in which the insurance adjuster withheld medical records central to the litigation decision-making and planning in cases, and accidentally withheld additional layers of coverage, to give but two examples. The only way for consumers to ascertain if they were treated fairly by their insurance carriers is for there to be transparency in how claims decisions are made and what documentation and information are utilized by adjusters making those decisions. I therefore fully support a regulatory requirement that an insured be entitled to a complete copy of his or her claim file.

In my own personal injury claim arising from a bicycle collision in which I was involved in 2019, I was adamantly told by the liability adjuster for the at-fault driver that the driver's Personal Injury Protection coverage did not apply to pay for my medical treatment for collision-related injuries. The third party carrier only opened a PIP claim after I threatened an IFCA notice. He then refused to bifurcate the first and third party claim files, adamantly taking the position that he was capable of handling both. Once I overcame the claim bifurcation hurdle, the PIP adjuster then threatened to deny my claims if I refused to give a recorded statement and allow her to disclose it to the liability adjuster, which I was under no contractual obligation to provide. This is not an uncommon occurrence by any stretch. I have heard of similar difficulties with multiple insurance carriers from multiple injured cyclists, pedestrians, and motor vehicle passengers who have retained my services as their counsel.

There have been issues with insurance carriers delaying in the evaluation of vehicles as either reparable or total loss, and in appraising the fair market value of total loss property damage claims. Often a vehicle will sit at an impound lot for months waiting for an insurance inspector to show up to inspect the vehicle, and the insured has no advance notice of the inspection and no control over the nature and scope of the inspection the insurance inspector performs or the extent of photos taken. That, in turn, translates to impound storage fees, vehicle forfeiture and loss of evidence with the auctioning and/or selling of the vehicle to recover tow/impound/storage fees, and difficulties in locating vehicles in the future when there is a need to obtain data from the vehicle event data recorder or higher quality pictures that are necessary for an accident reconstruction or biomechanical expert to ascertain how the collision happened.

There have been issues with insurance carriers terminating rental coverage before auto repairs are completed, and before total loss evaluations are completed and total loss payments delivered to the insured.

In my first party property damage claim earlier this year for an incident in which I was rear-ended by an uninsured driver, my insurance carrier refused without foundation to pay my body shop's hourly rate. After I sent an email citing to enumerated provisions of WAC 284-30 *et seq*. and requesting disclosure of all information and documents they relied on in making the decision to discount my body shop's hourly rate, my carrier caved and paid the full rate rather than fully disclose why they had initially denied full coverage. My insurance carrier also misquoted the amount of my deductible responsibility. If I were not an attorney, I would likely not have known that I had any recourse for such a claims decisions and inaccurate statements of policy provisions.

On multiple occasions every year, for many years, I have encountered individuals who were involved in collisions where the other driver's liability was clear (usually, rear end collisions) in which their own insurance carriers had wrongly listed them as at-fault in the insurance databases, leading to denials of coverage and increased premiums. Their insurance carriers repeatedly ignored requests to correct the collision fault reporting information.

Evaluation of the fair market value of total loss vehicles is an issue in virtually every personal injury auto collision case I have handled in the past 6 years, likely longer.

In the UIM context, undisputed damages are almost never paid unless demanded and even when demanded they are often denied.

PIP carriers frequently delay payment of medical claims for months, and then retroactively perform record reviews to claim that treatment was not reasonable, necessary, or related to injuries suffered in the subject collision. An IFCA Notice and the threat of litigation then become necessary to motivate the insurance carrier to pay for an injured insured's treatment that occurred and was billed months prior.

With increasing frequency, insurance carriers are also outsourcing aspects of claims handling to third party corporations (e.g. Auto Injury Solutions) and claiming that they are not responsible for how those separate corporations handle claims even though they have an agency relationship established by contract.

My world, and the worlds of countless other personal injury attorneys and insureds, is rife with examples of acts by auto insurers that operate to wrongfully limit or deny coverage to their insureds. The average consumer does not have the level of knowledge that personal injury attorneys have. They rarely have the

wherewithal to look to the applicable statutes and regulations. The incidents that make their way to law offices, IFCA notices, and insurance litigation are the tip of the iceberg compared to the volume of WAC violations and acts of bad faith that permeate the auto insurance industry.

The insurance industry is likely the most profitable industry in the Untied States. It is no secret that every insurance carrier's goal is to collect as many premiums as possible, and pay out as few benefits as possible. It is not surprising that they voice strong opposition to the prospect of being forced to treat their insureds with fairness transparency. My hope is that the Office of the Insurance Commissioner will not take the insurance industry's strong opposition to the proposed regulations with a grain of salt; but with an entire box of pickling salt.

Please do not hesitate to contact me if you have questions, or if I may provide further information. Thank you for your consideration.

Best regards,

Lara A. Wilcox
Attorney at Law

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