



## CONSUMER HEALTH ALLIANCE

PROTECTING CONSUMER ACCESS TO DISCOUNT HEALTHCARE PROGRAMS

### Testimony in Opposition to HB 3530 (vision care services) House Health Care Committee April 20, 2015

The Consumer Health Alliance (CHA) is the national trade association of the discount healthcare industry ([www.consumerhealthalliance.org](http://www.consumerhealthalliance.org)). Discount health care programs are non-insurance programs that give consumers direct access to savings on health care products and services. Our companies have more than 30 million members across the U.S., including 250,000 in Oregon, many of whom have access to vision discounts. Our companies are regulated and licensed as Discount Medical Plan Organizations by the Oregon Insurance Division.

We wish to express our concerns about how HB 3530 will affect discount vision services that are unrelated to insurance. The bill appears to focus on issues relating to the terms and conditions of contracts between vision insurers and optometrists regarding participation in a vision insurance plan. Our companies offer discounts, not insurance. We do not tie them together. So there is no reason non-insurance discount programs should be included in the bill.

The bill includes several references to non-insurance discount plans as if they were insurance plans. For example, Section 2(2)(a) prohibits a discount plan from offering discounted vision services unless those services are “covered.” Covered services are those that are reimbursed by an insurer or other third party payer. Discount plans don’t cover services. In fact, Oregon law prohibits our companies from reimbursing providers for services. So this section effectively bans vision discounts. Section 2(3) attempts to walk back this ban, but only by using vague and confusing terminology. The result is that consumer access to non-insurance vision discounts is jeopardized.

We would note that the bill language is nearly identical to legislation enacted in Kansas in 2014. The sponsors of that bill, the Kansas Optometric Association, agreed to amend it this year to clarify that it does not apply to vision discount cards already regulated under Kansas law. We hope that HB 3530 can be similarly amended to make it clear that the bill does not affect vision discount programs that are unrelated to insurance and are already regulated by Oregon law and the Oregon Insurance Division. Such an amendment would prevent confusion regarding whether and how non-insurance discount programs are changed by the bill, and would allow Oregon residents to continue to receive access to savings on vision products and services that are offered by non-insurance discount plans.

If you have questions or need more information, please contact Allen Erenbaum, President at [allen@consumerhealthalliance.org](mailto:allen@consumerhealthalliance.org) or (310) 643-8000.