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TO: HOUSE HEALTH CARE COMMITTEE
FROM: DR. JAMES HALE, OPTOMETRIC PHYSICIAN
RE: HB 3530

Chair Greenlick, members of the committee, my name is Dr. James Hale, an optometric physician in private practice in Corvallis and a member of the Oregon Optometric Physicians Association. I appear before you today to urge the members of the committee to support HB 3530.

Currently in Oregon, national vision insurance companies are engaging in business practices that are harmful to patients seeking vision care across the state. In addition, these damaging business practices threaten small Oregon businesses and their employees.

The most obvious example of these detrimental practices is the requirement by multiple vision insurers to use their ophthalmic lab to manufacture lenses for patients, not the lab preferred by the eye care provider. Here are two examples of how this is harmful to patients:

- A patient comes into an eye care provider's office with blurry vision, wearing out-of-date glasses. The provider could order the lenses from their preferred ophthalmic lens manufacturer in Oregon within a day or make the glasses in-house within an hour. Instead, they are required to order the lenses from the insurance company's lab of choice located in some other state. During the extra time that the patient waits for their out-of-state glasses, the patient continues to drive on Oregon streets with blurry vision.
- A patient has been wearing no-line progressive multifocal lenses for many years. The eye doctor prescribes high quality custom lenses because the patient suffers from vertigo and has had difficulty adapting to lower quality progressive lenses in the past. Upon ordering glasses, the patient discovers that their vision insurance company has made a financially-motivated decision to force the patient to either use an inferior lens design (available through their ophthalmic lab) or to pay the entire cost of the custom lens out of pocket with no insurance support. The patient is forced to use a lens that makes them dizzy and that they cannot successfully use to read their computer monitor at work.

These two examples are not the extreme exception. This requirement negatively impacts dozens of patients in my office every week. Forcing eye care providers to use out-of state suppliers of lab materials limits patient choice, delays delivery of eyewear, and generally undermines quality patient care. This is particularly damaging to patients within under-served populations and those who have unique or challenging visual needs.

National vision insurance companies are engaging in several other business practices that detrimental to quality patient care and to eye care providers. These companies are at liberty to change the terms of a signed contract without acknowledgement of the provider. They have reduced reimbursement, imposed discounts on non- covered items, and added layers of complexity on top of an already burdensome system. All of these changes have occurred without acknowledgement of the contracted provider. In fact, the system is so convoluted and ever-changing that eye care providers frequently have difficulty giving patients an accurate estimate on what their insurance covers. HB 3530 would improve transparency and fix this problem by simply requiring the vision insurance company to obtain signed acknowledgement that an eye care provider agrees to changes in their contract with the vision insurer.

HB 3530 would fix one additional harmful business practice which has been inflicted upon Oregon businesses by national vision insurance companies. Over the past couple of years, insurers have begun to force providers to accept plans with a negative economic outlook as a condition for participation in economically viable plans offered by that insurer. Eye care practices are no exception to the rule that businesses will eventually fail if they lose money. In the past, providers have had the choice of whether or not to accept any insurance plan. That check and balance system has been now removed and providers either have to refuse both plans and deny care to all of the patients, or reduce the quality of care delivered across the board to remain an economically viable business. This is an unacceptable situation which is detrimental to patients, providers, and the employees of practices that are forced to reduce staffing to continue operating.

The Oregon Optometric Physicians Association requested this bill to ensure that Oregon citizens have access to quality eye care and materials and to help small local business and their employees thrive in our state. I respectfully urge your support for HB 3530.

I thank you for the opportunity to provide this testimony and would be please to answer additional questions for the members of the committee at any time.