



NATIONAL ASSOCIATION OF VISION CARE PLANS

From the Desk of
Representative
Mike McLane

H.B. 3530 Harms Consumers, Prohibiting Vision Plans from Negotiating with Optometrists

National Association of Vision Plans (NAVCP) continues to oppose H.B. 3530 because it raises prices and out of pocket costs to consumers. While the amended bill now allows Vision plans to utilize laboratory networks like all other health plans, the bill continues to ban vision plan negotiated discounts with optometrists, while preserving the ability of uninsured discount plans to do so. Additionally, the bill prohibits a health plans ability to integrate routine vision benefits into their medical plans.

- **Optometrists Control the Retail Price of Eye Ware. H.B. 3530 Limits the Ability of A Vision Plans to Negotiate Discounts for Consumers.**

Vision plans negotiate discounts with optometrists to encourage enrollees to purchase eye ware from network optometrists, who otherwise control the retail price of the eye ware purchased by plan enrollees. There is no "usual and customary" rate for eye ware. Section (2)(a) bans contract between a vision plan and an optometrist negotiating a discount off of materials to be purchased by the plan enrollee outside of the plans coverage. Consumers will now pay higher prices and out of pocket expenses with no plan protection.

- **H.B. 3530 Denies Consumers with Vision Coverage Access Eye Ware Discounts While Preserving Uninsured "Discount Cards"**

Section 3 prohibits consumers with a vision insurance plan access to eyewear discounts while carving out "Discount Cards." Discounts off of materials are beneficial to all patients and providers, not just for consumers in uninsured programs.

- **H.B. 3530 Prohibits Health Plans from Integrating a Vision Plan to Provide Vision Care Benefits to its Enrollees**

Section 2(b) contains broad language that prevents a health plan from utilizing a vision plan network for routine eye care. Health plans seldom offer routine eye care as part of their normal benefits. Like dental services, many plans subcontract their routine vision care to vision plans who have specialized networks of optometrists to provide this care. This is a separate arrangement from medical benefits treating injury to or illnesses of the eye, and usually constitutes an annual eye examination as well as the purchase of eye ware..

- **H.B. 3530 Requires Contract Renegotiation Whenever Fee Schedule References Change**

Provider contracts typically reference a formula or specific fee schedule (Medicare, Medicaid, etc.) that sets reimbursement rates. These schedules change outside of the control of a vision plan, which is why they are referenced in the contract and not included as part of the specific terms. Section 2(c) would require a plan to renegotiate contracts if the referenced fee schedule changes, even in the middle of a plan year. This makes network management impossible and the ability of the provider to say no means there is no certainty of network adequacy.