

## **National Association of Vision Care Plans**

### **Testimony in Support of House Bill 4015**

#### **History:**

- In 2015, the Oregon Optometric Physicians Assn. succeeded in passing HB 3530, which made several significant changes in the relationship between vision care providers and vision care insurers.
- The version passed by the House included all OOPA's requested changes EXCEPT for a prohibition on preferred provider type arrangements between insurers and optical labs.
- The Senate added that prohibition back into the bill, and also added a provision permitting patient discount programs operated by non-insurance entities, but not those operated by vision care insurers.

#### **Current Status:**

- Many employer and union health care plans include a vision care benefit provided by an insurer different from the general medical benefit insurer.
- Some of the vision care insurers operate their own optical labs. Others have contracted with one or more independent optical labs. In either case, the benefits under these vision care plans are restricted to the specified labs. Patients and their vision care providers can always choose a different lab if it is necessary or appropriate, but these "closed panel" plans won't cover that cost. With passage of HB 3530 insurers aren't able to specify which labs will be included in their networks.
- Many vision care plans include discounts on uncovered materials and services (like a second pair of glasses). With passage of HB 3530, these patient discounts are banned.

#### **House Bill 4015:**

- HB 4015 restores the ability of vision care insurers to enter into preferred provider type arrangements with labs. It will help keep the premiums for vision care insurance low.
- HB 4015 restores the right of vision care providers to voluntarily agree to participate in discount programs for uncovered materials and services, which in other states is considered by some providers to be a marketing advantage, especially for new providers building their practices.
- HB 4015 requires advance notice to providers about changes in terms, reimbursements and discounts that their contracts specify can be changed mid-term, but would not require the insurer to obtain the providers signature and acknowledgment in advance.

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