

S.215

An act relating to the regulation of vision insurance plans

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 8 V.S.A. § 4088j is amended to read:

§ 4088j. CHOICE OF PROVIDERS FOR VISION CARE AND MEDICAL  
EYE CARE SERVICES

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(e)(1) An agreement between a health insurer or an entity that writes vision insurance and an optometrist or ophthalmologist for the provision of vision services to plan members or subscribers in connection with coverage under a stand-alone vision care plan or other health insurance plan shall not require that an optometrist or ophthalmologist provide services or materials at a fee limited or set by the plan or insurer unless the services or materials are reimbursed as covered services under the contract.

(2) An optometrist or ophthalmologist shall not charge more for services and materials that are noncovered services under a vision care plan or other health insurance plan than his or her usual and customary rate for those services and materials.

(3) Reimbursement paid by a vision care plan or other health insurance plan for covered services and materials shall be reasonable and shall not provide nominal reimbursement in order to claim that services and materials are covered services.

(4)(A) A vision care plan or other health insurance plan shall not restrict or otherwise limit, directly or indirectly, an optometrist's, ophthalmologist's, or independent optician's choice of or relationship with sources and suppliers of products, services, or materials or use of optical laboratories if the optometrist, ophthalmologist, or optician determines that the source, supplier, or laboratory he or she has selected offers the products, services, or materials in a manner that is more beneficial to the consumer, including with respect to cost, quality, timing, or selection, than the source, supplier, or laboratory selected by the vision care plan or other health insurance plan. The plan shall not impose any penalty or fee on an optometrist, ophthalmologist, or independent optician for using any supplier, optical laboratory, product, service, or material.

(B) The optometrist, ophthalmologist, or optician shall notify the consumer of any additional costs the consumer may incur as the result of procuring the products, services, or materials from the source, supplier, or laboratory selected by the optometrist, ophthalmologist, or optician instead of from the source, supplier, or laboratory selected by the vision care plan or other health insurance plan.

(C) Nothing in this subdivision (4) shall be construed to prevent a vision care plan or other health insurance plan from informing its policyholders of the benefits available under the plan or from conducting an audit of an

optometrist's, ophthalmologist's, or optician's use of alternative sources, suppliers, or laboratories.

(D) The provisions of this subdivision (4) shall not apply to Medicaid.

(f) The Department of Financial Regulation shall enforce the provisions of this section as they relate to health insurance plans and vision care plans other than Medicaid.

(g) As used in this section:

(1) "Covered services" means services and materials for which reimbursement from a vision care plan or other health insurance plan is provided by a member's or subscriber's plan contract, or for which a reimbursement would be available but for application of the deductible, co-payment, or coinsurance requirements under the member's or subscriber's health insurance plan.

(2) "Health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer or a subcontractor of a health insurer, as well as Medicaid and any other public health care assistance program offered or administered by the State or by any subdivision or instrumentality of the State. The term includes vision care plans but does not include policies or plans providing coverage for a specified disease or other limited benefit coverage.

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(7) “Optician” means a person licensed pursuant to 26 V.S.A. chapter 47.

(8) “Vision care plan” means an integrated or stand-alone plan, policy, or contract providing vision benefits to enrollees with respect to covered services or covered materials, or both.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2016.