



STATE OF VERMONT
GENERAL ASSEMBLY

May 5, 2016

Attorney General William H. Sorrell
109 State Street
Montpelier, VT 05609

Dear Attorney General Sorrell:

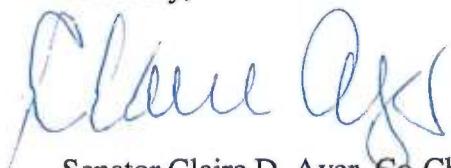
S.215, An act relating to the regulation of vision insurance plans, prohibits vision care and other health insurance plans from limiting an optometrist's, ophthalmologist's, or optician's choice of laboratories and suppliers. During the course of our work on this bill, the House Committee on Health Care and the Senate Committee on Finance took testimony and received input from several vision care providers who related their own experiences with vision care plans, many of which deeply concerned members of both committees. One provider related that it had been three weeks since he sent off to the optical laboratory mandated by a vision care plan a prescription for a 12-year old girl who was recently discovered to be legally blind. A local laboratory could have filled her prescription in a much shorter time, but the provider was required to use the laboratory selected (and most likely owned) by the vision plan, and the young patient suffered needlessly as a result.

The committees also received information about an April 1, 2016 “update to frame reimbursement policy” from a vision care plan (the name was redacted), which informed vision care providers that effective July 1, 2016, practices that did not meet a minimum purchase threshold of \$6,000 of the plan’s own brands of frames during the previous 12-month period would be receiving 80% reimbursement on the plan’s competitors’ frames, rather than 100% wholesale reimbursement on the vision care plan’s frames. Members have heard of vision care plans threatening to set up an optometrist with a local practice to compete against a provider who was considering not continuing his participation in a vision care plan, and other activities against vision care providers that concerned members of the Health Care and Finance Committees and of the S.215 conference committee.

On behalf of the members of the S.215 conference committee, we respectfully request that your office investigate the business practices of vision care plans with respect to their contracts, policies, and other dealings with vision care providers. We expect you will likely find unlawful and/or unethical practices and hope you will take appropriate legal

action to stop them and to ensure that, in the future, vision care services will be provided to Vermont residents in a manner that is the most beneficial to all concerned.

Sincerely,



Senator Claire D. Ayer, Co-Chair
S.215 Conference Committee



Representative Paul N. Poirier, Co-Chair
S.215 Conference Committee