



04/08/2016

Representative William J. Lippert Jr.
Committee on House Health Care
115 State Street
Montpelier, Vermont 05602

Re: Vermont Optometric Association support for S.215

Dear Representative Lippert and House Health Care Committee Members,

The Vermont Optometric Association (VOA) thanks you for your consideration of S.215. The VOA respectfully asks the committee members to consider taking up S.215 with the suggested amendments (see handout) and passing it out of committee.

The original purpose of S.215 was to:

1. Assign jurisdiction of Vision Care Plans operating within the state of Vermont to an entity for enforcement and regulation. (The Senate Finance sees fit to assign this to the Department of Financial Regulation and we have no objections)
2. Address general behavior of Vision Care Plans within the state of Vermont and specifically threats made to an association member by a Vision Care Plan.
3. Include provisions to help increase access, increase lab choice for quality, cost, turnaround.

S.215 as it came out of the Senate Finance Committee currently addresses the Jurisdiction of Vision Care plans, but not regulation. It does not address the business practices or behavior (we are hoping regulation will take care of this, and are accordingly not seeking to add protective provisions back into S.215). It removes provisions for patient access, and creates a potentially burdensome path to lab choice for a provider.

Reasoning for the amendments follows:

1. Lab Choice

Vision Care Plans provide a set dollar range towards a patients "materials" (Materials being a frame, lenses, coatings etc.) if they allow anything for the patient at all. The lab that the provider chooses does not increase the reimbursement paid by Vision Care Plan. The provider has a fixed price list, we cannot change a products price on the spot because we chose a more expensive lab for a specific patient. Choosing a lab does not increase cost to the patient. What lab choice does do is allow us to leverage relationships with labs to obtain better pricing, service, and speed. In my office would allow us to keep business within the state of Vermont. I like many providers have a small finishing lab in my office that can cut lenses for most jobs. It would also allow us to use a local lab i.e. Lenco in Rutland, VT as opposed to mailing jobs out of state

(increasing turnover time for office and patient). It should be noted that Vision Care Plans indirectly own the labs they force providers to use, they set pricing that we are charged to use their labs. In states that have passed lab choice, Vision Care Plans have assessed a penalty fee on providers for using their own labs, or ones of their choice. Lab choice increases competition, increases local use, provides cost, service and speed increases for Vermonters. Please consider reinstating lab choice with the original language preventing penalties, and removing the “lower cost” provision.

2. Coordination of Benefits

Coordination of Benefits refers to how a provider must bill a patient who has two insurance companies, and in what order. Currently many plans are not providing coordination of benefits, unfairly removing part of what they or their employer are paying for. The VOA is seeing a trend towards not allowing any coordination of benefits for those who have a Vision Care Plan.

As an example: A diabetic patient coming in for their yearly diabetic checkup. This visit goes to the patients’ medical insurance, it is NOT a routine visit. The visit includes additional time in examination, additional time in patient education, and often includes additional testing as needed. If the patient has a deductible, the bill for this visit falls squarely on the patient. If the patient themselves or their employer are paying for a Vision Care Plan, they would be entitled to a monetary reimbursement for a routine visit. We are asking that Vision Care Plans provide coverage towards the patient’s bill in the amount they WOULD HAVE ALREADY COVERED if it was a routine visit.

It is fundamentally unfair that patients personally pay, or their employers on their behalf pay with no examination benefit received. This does not change reimbursement to providers, what it does do, is to lower financial barriers for patients with chronic conditions to maintain the care they need, and allow Vermonters with a Vision Care Plan to get the benefits they expected.

3. Out of Network Benefits:

Vision Care Plans within the state of Vermont are not currently subject to any network adequacy provisions. Employers change plans often (sometimes yearly). Vermont is full of rural providers who serve their communities. Patients has the right to choose to see an out of network provider, but always at full cost. Patients often drive long distances out of their way to find a provider of the specific Vision Care Plan they have when someone is right there in town. The VOA knows of one instance where employees across the state were provided a plan almost no one in large areas of the state took. This provision would require that a Vision Care Plan provide a partial payment towards the patient’s bill if they chose to see an out of network provider. It would also require that Vision Care Plans make out of network benefits easily accessible to patients and providers.

There is no good reason for a Vision Care Plan to oppose this provision, if they were willing to cover full price towards an exam, a partial payment should be a real deal. It increases choice and convenience for patients.

As you are reviewing this bill and the proposed amendments, please remember that this bill has been paired down significantly. If you have time, review the companion bill that was introduced

within your committee. The Vermont Optometric Association believes in each provision originally asked for, and I am personally happy to answer any questions about why we asked for a provision, or what we were/are hoping to accomplish. We feel that time is short and are trying to proceed with a much shorter bill, being respectful of everyone's time, but would be willing to discuss the addition of any of the removed components of the original bill.

The Vermont Optometric Association is thankful for the opportunity to work with the House Health Care Committee on these important issues. Please do not hesitate to contact myself, Shouldice and Associates, or any member of the Vermont Optometric Association for further input.

Dean Barcelow O.D.
VOA President Elect
VOA Legislative Chair