

---

## Health Care & Wellness Committee

---

### HB 1762

**Brief Description:** Concerning the relationship between a health insurer and a contracting health care provider.

**Sponsors:** Representatives Riccelli, Schmick, Jinkins, Harris, Cody, Van De Wege, Robinson and Tharinger.

#### Brief Summary of Bill

- Imposes requirements relating to insurance coverage for vision materials and vision services.
- Requires the Insurance Commissioner to respond to a complaint about coverage for vision materials or services in the same manner regardless of the identity of the person or entity making the complaint.
- Makes violations of the requirements relating to insurance coverage for vision materials and vision services enforceable under the Consumer Protection Act.

**Hearing Date:** 2/4/15

**Staff:** Jim Morishima (786-7191).

#### **Background:**

##### Participating Provider Contracts.

Health carriers enter into contracts with health care providers under which the providers agree to accept a specified reimbursement rate for their services. A health carrier must file all provider contracts and provider compensation agreements with the Commissioner 30 days before use.

A health carrier must provide at least 60 days' notice to a health care provider of any proposed material amendments to the provider's contract during which time the provider may reject the material amendment without affecting the terms of the existing contract. The material amendment must be clearly defined in a notice to the provider before the notice period begins.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The notice must inform the provider that he or she may choose to reject the terms of the material amendment through written or electronic means at any time during the notice period and that such rejection will not affect the terms of the existing contract. The health carrier's failure to comply with the notice requirements voids the effectiveness of the material amendment.

### The Consumer Protection Act.

The Consumer Protection Act (CPA) prohibits unfair or deceptive trade practices. A private person or the Attorney General may bring a civil action to enforce the provisions of the CPA. A person or entity found to have violated the CPA is subject to treble damages and attorney's fees.

### **Summary of Bill:**

A health carrier may not:

- require an optometrist or ophthalmologist to provide non-covered vision materials or services at a fee set by the carrier;
- require an optometrist or ophthalmologist to participate with, or be credentialed by, another carrier or health benefit plan as a condition of joining one of the carrier's provider panels;
- restrict or limit an optometrist's or ophthalmologist's choice of sources and suppliers of vision materials or services, including optical labs; or
- change the terms of any contract or participating provider agreement with an optometrist or ophthalmologist, unless he or she agrees to the change in writing.

Reimbursement amounts for covered vision materials or services must be at least the usual and customary rates for those services. An insurer may not provide nominal reimbursement for vision materials or services in order to claim that such services are covered services.

The Insurance Commissioner must respond to a complaint regarding vision care coverage using the same standards, timelines, and procedures, regardless of the identity of the person or entity making the complaint.

"Vision materials" is defined as ophthalmic devices, including devices containing lenses, artificial intraocular lenses, ophthalmic frames and other lens mounting apparatuses, prisms, lens treatments and coating, contact lenses, or prosthetic devices to correct, relieve, or treat defects or abnormal conditions of the human eye or adnexa. "Vision services" is defined as professional work performed by an optometrist or ophthalmologist within his or her scope of practice.

Violations of the act are violations of the CPA.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.