
SENATE BILL 5410

State of Washington 65th Legislature 2017 Regular Session

By Senators Rivers, Cleveland, Bailey, Conway, and Keiser

Read first time 01/24/17. Referred to Committee on Health Care.

1 AN ACT Relating to contracts between insurance carriers and
2 vision care providers; adding a new section to chapter 48.39 RCW; and
3 prescribing penalties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.39
6 RCW to read as follows:

7 (1) A contract between a vision care provider and an entity that
8 offers vision care insurance or a vision care discount care plan may
9 not:

10 (a) Limit or specify the fee that a vision care provider may
11 charge for vision care services or materials that are not reimbursed,
12 in whole or in part, by the vision care insurance or discount care
13 plan;

14 (b) Require a vision care provider to participate in one vision
15 care insurance plan or discount care program as a condition for
16 participating in another insurance plan;

17 (c) Change the terms, the contractual discount, or the
18 reimbursement rates, under vision care insurance or a vision care
19 discount card, without a signed acknowledgment that the vision care
20 provider agrees to the changes; or

1 (d) Directly or indirectly restrict or limit a vision care
2 provider's choice of suppliers of materials, including optical labs.

3 (2)(a) "Contractual discount" means a percentage reduction
4 required under a contract with an insurer, in a vision care
5 provider's usual and customary rate for vision care services and
6 materials.

7 (b) "Discount plan" means a card or other purchasing mechanism or
8 device that is not insurance, under this title, or a discount plan,
9 as defined in chapter 48.155 RCW, that purports to offer discounts or
10 access to discounts in health-related purchases from health care
11 providers.

12 (c) "Insurer" or "health benefit plan" means a carrier licensed
13 under chapters 48.20, 48.21, 48.44, and 48.46 RCW.

14 (d) "Materials" includes, but is not limited to:

15 (i) Lenses;

16 (ii) Devices containing lenses;

17 (iii) Contact lenses;

18 (iv) Prisms;

19 (v) Lens treatments and contact lens coatings;

20 (vi) Orthopedic or prosthetic devices to correct, relieve, or
21 treat defects or abnormal conditions of the human eye or adnexa; and

22 (vii) Vision training.

23 (e) "Vision care insurance" means a health benefit plan or a
24 policy or certificate of insurance that covers vision care services
25 and materials.

26 (f) "Vision care provider" includes a person licensed to practice
27 optometry under chapter 18.53 RCW, and a physician licensed under
28 chapter 18.71 RCW, or osteopathic physician licensed under chapter
29 18.57 RCW who has completed a residency program in ophthalmology, or
30 a dispensing optician licensed under chapter 18.34 RCW.

31 (g) "Vision care services" means services provided by a vision
32 care provider within the scope of the provider's license to practice
33 optometry or ophthalmology.

34 (3) If the commissioner finds there have been any violations or
35 restrictions of the contractual requirements detailed in subsection
36 (1) of this section, the commissioner may impose a civil penalty of
37 not less than one thousand dollars and not more than ten thousand
38 dollars for each violation, except that if it is a first violation by
39 the party involved and the commissioner finds that the violation or
40 attempted violation did not result in significant harm to human

1 health, the commissioner may issue a warning instead of imposing a
2 civil penalty.

3 (4) The requirements of this section apply to contracts,
4 addendum, and certificates executed, delivered, issued for delivery,
5 or renewed on or after the effective date of this section.

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