

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB1979
Version:	FA1
Request Number:	7973
Author:	Hilbert
Date:	3/8/2023
Impact:	No Impact

Research Analysis

The floor substitute for HB 1979, imposes requirements with respect to agreements between vision care plans and service providers, and sets standards for reimbursement on certain pricing of materials or services.

The measure prohibits agreements between an insurer, vision care plan or vision care discount plan and an eye care provider from requiring that an eye care provider provide services or materials at a fee limited or set by the aforementioned entities unless the services or materials are reimbursed as covered services or covered materials under the contract.

The measure requires that insurers provide the vision care provider with a fee schedule that clearly lists the reimbursements. The measure outlines that reimbursements must be reasonable and must be calculated annually using the Consumer Price Index for All Urban Consumers (CPI-U).

The measure specifies that the time outlined by a contract between any insurer and a provider for reimbursement must be equal to the period of time allowed for any provider to recover any reimbursement amount from an insurer.

The measure allows for any member of a prepaid vision plan to select any licensed vision practitioner to provide vision services.

The measure prohibits an insurer from requiring more conditions for an optometrist than for physicians or osteopaths in order to participate in the provider network, and requires that services rendered by optometrists be provided the same reimbursement for covered services rendered by physicians and osteopaths.

The measure outlines steps an insurer, vision care plan, or vision care discount plan must complete prior to altering an agreement with an eye care provider. Agreements must not exceed 2 years or restrict the provider's use of optical labs or choice of material or service suppliers.

Upon violation of this act, a person adversely affected may bring legal action upon the insurer, vision care plan, or vision care discount plan for injunctive relief. The person may recover additional monetary damages.

The measure authorizes the Insurance Commissioner and the Attorney General to enforce fines, penalties, and legal action against violators.

CHANGES IN FLOOR SUB VERSION FROM COMMITTEE SUBSTITUTE:

Implements a range of fines from \$10,000 to \$100,000 that the Insurance Commissioner can issue for violations of the act, and allows any member of a prepaid vision plan to select any licensed vision practitioner to provide vision services.

Prepared By: Matthew Brenchley

Fiscal Analysis

In its current form, HB1979 provides requirements for agreements between vision care plans and service providers. The fiscal impact of this bill has been deemed negligible by officials with the Office of Management and Enterprise Services. This measure is not expected to impact premium rates for plans offered by OMES – EGID.

As provided by OMES:

The fiscal impact to OMES is negligible given the methodology to reimburse eye care providers aligns with the methodology to reimburse physicians for similar services under the scope of the eye care providers license.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.