

1 SB270
2 166809-4
3 By Senator Blackwell
4 RFD: Banking and Insurance
5 First Read: 18-MAR-15

1 SB270

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4 ENROLLED, An Act,

5 Relating to vision care providers; to prohibit
6 insurers of vision care services from limiting a vision care
7 provider's ability to set fees for services and materials, to
8 participate in specific vision care plans, and to choose
9 sources of suppliers in certain circumstances; to prohibit
10 vision care providers from charging more to an insurer than
11 the customary rates of those vision care providers; to require
12 reasonable reimbursements for vision care services and
13 materials to vision care providers; to exempt certain health
14 care service plans; and to authorize the Department of
15 Insurance to adopt rules to implement this act.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. (a) As used in this section, the
18 following words shall have the following meanings:

19 (1) CONTRACTUAL DISCOUNT. A percentage reduction
20 from a provider's usual and customary rate for covered
21 services and materials required under a participating provider
22 agreement.

23 (2) COVERED MATERIALS. Materials for which
24 reimbursement from the insurer or vision care plan is provided
25 to a vision care provider by an enrollee's plan contract, or

1 for which a reimbursement would be available but for the
2 application of the enrollee's contractual limitations of
3 deductibles, copayments, or coinsurance.

4 (3) COVERED SERVICES. Services for which
5 reimbursement from the insurer or vision care plan is provided
6 to a vision care provider by an enrollee's plan contract, or
7 for which a reimbursement would be available but for the
8 application of the enrollee's contractual plan limitations of
9 deductibles, copayments, or coinsurance.

10 (4) INSURER. A health plan as defined in subdivision
11 (3) of Section 27-56-2, Code of Alabama 1975. The term shall
12 not include corporations organized pursuant to Article 6 of
13 Chapter 20 of Title 10A, Code of Alabama 1975, commencing at
14 Section 10A-20-6.01, or to policies, plans, or contracts
15 entered into, issued by, or administered by such corporations.

16 (5) MATERIALS. Ophthalmic devices, including, but
17 not limited to, lenses, devices containing lenses, artificial
18 intraocular lenses, ophthalmic frames and other lens mounting
19 apparatus, prisms, lens treatments and coatings, contact
20 lenses, and prosthetic devices to correct, relieve, or treat
21 defects or abnormal conditions of the human eye or its adnexa.

22 (6) SERVICES. The professional work performed by a
23 vision care provider.

24 (7) VISION CARE PLAN. An entity that creates,
25 promotes, sells, provides, advertises, or administers an

1 integrated or standalone vision benefit plan, or a vision care
2 insurance policy or contract that provides vision benefits to
3 an enrollee pertaining to the provision of covered services or
4 covered materials. The term shall not include corporations
5 organized pursuant to Article 6 of Chapter 20 of Title 10A,
6 Code of Alabama 1975, commencing at Section 10A-20-6.01, or to
7 policies, plans, or contracts entered into, issued by, or
8 administered by such corporations.

9 (8) VISION CARE PROVIDER. A licensed optometrist or
10 a licensed ophthalmologist.

11 (b) A contract between an insurer or a vision care
12 plan and a vision care provider may not:

13 (1) Require that a vision care provider provide
14 services or materials at a fee limited or set by the insurer
15 or vision care plan, unless the services or materials are
16 reimbursed covered services or reimbursed covered materials
17 under the contract.

18 (2) Require that a vision care provider participate
19 with or be credentialed by any specific vision care plan as a
20 condition to join an insurer's provider panel.

21 (3) Restrict or limit, either directly or
22 indirectly, the vision care provider's choice of sources and
23 suppliers of services or materials or use of optical labs in
24 his or her practice.

1 (c) A vision care provider may not charge more to an
2 enrollee of a vision care plan or insurer for services or
3 materials that are not covered services or not covered
4 materials than the vision care provider's usual and customary
5 rate for those services and materials.

6 (d) Reimbursements paid by an insurer or vision care
7 plan for covered services and covered materials shall be
8 reasonable and may not provide nominal reimbursement in order
9 to claim that services and materials are covered services and
10 covered materials.

11 (e) No provision of this section shall prohibit the
12 use of a discount card by an enrollee if:

13 (1) Enrollment by the vision care provider is
14 completely voluntary and not conditioned upon the vision care
15 provider's participating in any other discount card with
16 different provider terms and conditions or a different
17 insurance program; and

18 (2) The discount card program does not make or
19 include any coverage or payment to the vision care provider.

20 (f) The Commissioner of Insurance may adopt rules
21 pursuant to the Administrative Procedure Act to implement the
22 provisions of this section.

23 (g) The provisions of this section apply to insurer
24 or vision care plan contracts, addendums, and certificates
25 executed, delivered, issued for delivery, continued or renewed

1 in this state. A vision care plan contract under this section
2 may not be longer than two years from the date that it is
3 executed. Vision care plans are prohibited from making changes
4 to the provider manual without notification to an individual
5 vision care provider.

6 Section 2. This act shall become effective
7 immediately following its passage and approval by the
8 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB270

Senate 07-MAY-15

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris
Secretary

House of Representatives
Passed: 04-JUN-15

By: Senator Blackwell