

1 ENGROSSED HOUSE  
2 BILL NO. 1979

By: Hilbert, Fetgatter, Lawson  
and Johns of the House

3 and

4 Haste of the Senate

5  
6 An Act relating to vision care services; defining  
7 terms; imposing requirements with respect to  
8 agreements between vision care plans and service  
9 providers; prohibiting charges in excess of certain  
10 amount; imposing standard with respect to  
11 reimbursement rates; prohibiting effect on certain  
12 pricing of materials or services; providing for  
13 adjustment based on inflation; prescribing method for  
14 computation of adjustments; requiring certain  
15 offerings related to premium lenses; prohibiting  
16 communication of certain information; prohibiting  
17 certain incentives; providing for application of  
18 provisions to subcontractors; prohibiting agreements  
19 from requiring participation or credentialing with  
20 certain entities; providing for reimbursement using  
21 certain standard; prohibiting insurer from requiring  
22 certain terms and conditions with respect to eye care  
23 service providers; imposing requirements with respect  
24 to subcontractor agreements; providing for  
applicability of requirements to agreements pursuant  
to health care plans; defining certain actions to  
constitute unfair trade practice; prohibiting  
modification of agreements; requiring procedures  
prior to modification; prescribing procedures related  
to process for modification of agreements;  
prohibiting limitations on choices by eye care  
service providers; prohibiting certain changes in  
terms, discounts or reimbursement rates without  
agreement; authorizing civil remedies for violations;  
authorizing treble damages; imposing duties on  
Insurance Commissioner; providing for fines;  
providing for applicability of act; providing for  
applicability of act based on renewal of certain  
plans; providing for codification; and declaring an  
emergency.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 6971 of Title 36, unless there  
4 is created a duplication in numbering, reads as follows:

5 As used in this act:

6 1. "Contractual discount" means a reduction from a provider's  
7 usual and customary rate for covered services and materials required  
8 under a participating provider agreement;

9 2. "Covered services" means services for which reimbursement  
10 from the insurer, vision care plan or vision care discount plan is  
11 provided to a vision care provider by an enrollee's plan contract,  
12 or for which a reimbursement would be available but for the  
13 application of the enrollee's contractual plan limitations of  
14 deductibles, copayments, or coinsurance, regardless of how the  
15 benefits are listed in an enrollee's benefit plan's definition of  
16 benefits;

17 3. "Covered materials" means materials for which reimbursement  
18 from the insurer, vision care plan or vision care discount plan is  
19 provided to a vision care provider by an enrollee's plan contract,  
20 or for which a reimbursement would be available but for the  
21 application of the enrollee's contractual limitations of  
22 deductibles, copayments, or coinsurance;

23 4. "Services" means the professional work performed by an eye  
24 care provider as defined in this section;

1       5. "Materials" means ophthalmic devices including but not  
2 limited to lenses, devices containing lenses, artificial intraocular  
3 lenses, ophthalmic frames and other lens mounting apparatus, prisms,  
4 lens treatments and coatings, contact lenses, and prosthetic devices  
5 to correct, relieve, or treat defects or abnormal conditions of the  
6 human eye or its adnexa, or any material allowed to be utilized by  
7 Oklahoma Board of Examiners in Optometry and Optometry's Scope of  
8 Practice as provided by law;

9       6. "Eye Care Provider" means a licensed doctor of optometry  
10 practicing under the authority of the applicable provisions of Title  
11 59 of the Oklahoma Statutes or a licensed medical or osteopathic  
12 doctor practicing under the authority of the applicable provisions  
13 of Title 59 of the Oklahoma Statutes;

14       7. "Vision Care Plan" means an entity that creates, promotes,  
15 sells, provides, advertises or administers, an integrated or stand-  
16 alone vision benefit plan, or a vision care insurance policy or  
17 contract which provides vision benefits to an enrollee pertaining to  
18 the provision of covered services or covered materials;

19       8. "Health benefit plan" means:

20           a. group hospital or medical insurance coverage, a not-  
21 for-profit hospital or medical service or indemnity  
22 plan, a prepaid health plan, a health maintenance  
23 organization plan, a preferred provider organization  
24 plan, the State and Education Employees Group Health

1 Insurance Plan, and coverage provided by a Multiple  
2 Employer Welfare Arrangement or employee self-insured  
3 plan as permitted under Employee Retirement Income  
4 Security Act of 1974.

5 b. The term "health benefit plan" shall not include:

6 (1) a plan that provides coverage:

7 (a) only for a specified disease or diseases or  
8 under an individual limited benefit policy,

9 (b) only for accidental death or dismemberment,

10 (c) only for dental or vision care,

11 (d) a hospital confinement indemnity policy,

12 (e) disability income insurance or a combination  
13 of accident-only and disability income  
14 insurance, or

15 (f) as a supplement to liability insurance,

16 (2) a Medicare supplemental policy as defined by  
17 Section 1882(g)(1) of the Social Security Act (42  
18 U.S.C., Section 1395ss),

19 (3) workers' compensation insurance coverage,

20 (4) medical payment insurance issued as part of a  
21 motor vehicle insurance policy,

22 (5) a long-term care policy, including a nursing home  
23 fixed indemnity policy, unless a determination is  
24 made that the policy provides benefit coverage so

1 comprehensive that the policy meets the  
2 definition of a health benefit plan, or  
3 (6) short-term health insurance issued on a  
4 nonrenewable basis with a duration of six (6)  
5 months or less;

6 9. "Vision care discount plan" means an entity which has been  
7 specifically authorized by the vision care providers to provide  
8 discounts to patients;

9 10. "Subcontractor" means any company, group or third-party  
10 entity including agents, servants, partially or wholly owned  
11 subsidiaries and controlled organizations contracted by the insurer,  
12 vision care plan or vision care discount plan to supply services or  
13 materials for an eye care provider or enrollee to fulfill the  
14 benefit plan of an insurer, vision care plan or vision care discount  
15 plan; and

16 11. "Enrollee" means any individual enrolled in a health care  
17 plan, vision care plan or vision care discount plan provided by a  
18 group, employer or other entity that purchases or supplies coverage  
19 for a vision care plan or vision care discount plan.

20 SECTION 2. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 6972 of Title 36, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. No agreement between an insurer, vision care plan or vision  
24 care discount plan and an eye care provider may seek to or require

1 that an eye care provider provide services or materials at a fee  
2 limited or set by the insurer, vision care plan or vision care  
3 discount plan unless the services or materials are reimbursed as  
4 covered services or covered materials under the contract.

5 B. An eye care provider shall not charge more for services and  
6 materials that are noncovered services or noncovered materials to an  
7 enrollee of a vision care plan or insurer than his or her usual and  
8 customary rate for those services and materials.

9 C. Reimbursements paid by an insurer, vision care plan, or  
10 vision care discount plan for covered services and covered  
11 materials, regardless of supplier or optical lab used to obtain  
12 materials, shall be reasonable, shall be clearly listed on a fee  
13 schedule that is made available to the vision care provider prior to  
14 accepting a contract from the insurer, vision care plan or vision  
15 discount plan and shall not provide nominal reimbursement or  
16 advertise services and materials to be covered with additional copay  
17 or coinsurance if the health plan, vision care plan or vision care  
18 discount plan do not reimburse for the services or materials in  
19 order to claim that services and materials are covered services and  
20 materials.

21 D. Vision plans shall not in any manner impact the pricing of  
22 noncovered services or materials.

23 E. Vision care plans shall calculate an annual adjustment,  
24 using the increase if any in the Consumer Price Index for All Urban

1 Consumers (CPI-U), and cause reimbursement rates to reflect such  
2 increases.

3 F. Vision plans shall provide standard reimbursements for all  
4 lenses with the same design, quality and composition. The period of  
5 time prescribed by a contract between any vision service plan and a  
6 provider of vision care services for the vision service plan to  
7 recover any reimbursement amount from a vision care service provider  
8 shall be the same period of time allowed or required for any vision  
9 service provider to recover any reimbursement amount from a vision  
10 service plan.

11 G. Insurers, vision care plans and vision care discount plans  
12 shall not publish, disseminate or falsely represent the benefits  
13 that are provided to groups, employers or individual enrollees as a  
14 means of selling coverage to or communicating benefit coverage to  
15 enrollees.

16 H. Vision plans shall not incentivize patients in order to move  
17 them to entities owned in part or in whole by the vision plans or  
18 subsidiaries of the plans.

19 I. All provisions in this act shall apply to any entity acting  
20 in whole or in part of vision plans and shall be subject to all  
21 applicable penalties as referenced in this section. Any member of a  
22 prepaid vision plan shall be free to select any licensed vision  
23 practitioner to provide vision services and prepayment or  
24 reimbursement determinations shall be made without regard to whether

1 the practitioner is a participating or nonparticipating member of  
2 the plan. The provisions of this subsection shall be printed on the  
3 policy for membership coverage.

4 J. Vision plans shall not entice a non-network patient's choice  
5 of eye care providers.

6 SECTION 3. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 6973 of Title 36, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. No agreement between an insurer, vision care plan or vision  
10 care discount plan and a vision care provider shall require that an  
11 eye care provider must participate with or be credentialed by any  
12 specific vision care plan or vision care discount plan as a  
13 condition for participation in the health care network of the  
14 insurer to provide covered medical services to its enrollees.

15 B. Any insurer issuing or renewing a health benefit plan,  
16 vision care plan or vision care discount plan issued or renewed  
17 which provides coverage for services rendered by a physician or  
18 osteopath duly licensed pursuant to law that are within the scope of  
19 practice of an optometrist duly licensed under the applicable  
20 provisions of Title 59 of the Oklahoma Statutes shall provide the  
21 same reimbursement for services to optometrists as allowed for those  
22 services rendered by physicians or osteopaths.

23 C. An insurer shall not require an optometrist to meet terms  
24 and conditions that are not required of a physician or osteopath as



1 a condition for participation in its provider network for the  
2 provision of services that are within the scope of practice of an  
3 optometrist.

4 D. A clause requiring that if a provider enters into any  
5 subcontract agreement with another provider to provide their  
6 licensed health care services to the subscriber, dependent of the  
7 subscriber, or enrollee of a managed care plan where the  
8 subcontracted provider will bill the managed care plan or subscriber  
9 or enrollee directly for the subcontracted services, the subcontract  
10 agreement must meet all requirements of this act.

11 E. The provisions of subsections A, B, and C of this section  
12 shall also apply to any agreements an insurer enters into to provide  
13 services covered under the health benefit plan, vision care plan or  
14 vision care discount plan.

15 SECTION 4. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 6974 of Title 36, unless there  
17 is created a duplication in numbering, reads as follows:

18 It is an unfair trade practice for an insurer that offers  
19 multiple vision benefit plans or multiple vision discount plans to  
20 require an eye care provider, as a condition of participation in a  
21 vision benefit plan or vision discount plan of the insurer, to  
22 participate in any of the insurer's other vision benefit plans or  
23 vision discount plans. In addition to the proceedings and penalties  
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1 provided in this act for violation of this provision, a contract  
2 provision violating this section is void.

3 SECTION 5. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 6975 of Title 36, unless there  
5 is created a duplication in numbering, reads as follows:

6 An insurer, vision care plan or vision care discount plan shall  
7 not change or alter an agreement entered into with an eye care  
8 provider without performing the following steps:

9 1. A certified letter or an electronic communication requiring  
10 an electronic signature proving receipt, detailing proposed changes  
11 shall be sent to eye care providers and a face-to-face or virtual  
12 meeting shall be conducted if requested by the eye care provider;

13 2. Vision care plans shall supply the eye care providers with  
14 an explanation of benefits and/or explanation of payment for  
15 services and materials rendered by the provider upon request,  
16 regardless of the provider's network status with Vision Care Plan;

17 3. It is required that an eye care provider to either agree or  
18 not agree to proposed changes. If the changes in the contract are  
19 not agreed to by the eye care provider then the current agreement  
20 shall continue until its expiration after two (2) years and the  
21 insurer, vision care plan or vision care discount may not remove the  
22 eye care provider from a panel or plan for not accepting the changes  
23 to a contract for the remainder of the two-year contract;

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1 4. A new agreement is required to be established and agreed  
2 upon after three or more material changes are made to an existing  
3 agreement from an insurer, vision care plan or vision care discount  
4 plan; and

5 5. Any amendment to a proposed contract that is being reviewed  
6 by a service provider prior to its execution and any amendment to an  
7 existing contract with a service provider shall be underlined to  
8 clearly indicate the contract modification.

9 SECTION 6. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 6976 of Title 36, unless there  
11 is created a duplication in numbering, reads as follows:

12 No agreement between an insurer, vision care plan or vision care  
13 discount plan and an eye care provider shall restrict or limit,  
14 either directly or indirectly, the vision care provider's choice of  
15 sources and suppliers of services or materials or use of optical  
16 labs provided by the eye care provider to an enrollee.

17 SECTION 7. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 6977 of Title 36, unless there  
19 is created a duplication in numbering, reads as follows:

20 No insurer, vision care plan or vision care discount plan shall  
21 change the terms, discounts or reimbursement rates contained  
22 therein, regardless of supplier or fabricating lab used to supply  
23 materials.

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1 SECTION 8. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 6978 of Title 36, unless there  
3 is created a duplication in numbering, reads as follows:

4 Any person adversely affected by a violation of this act may  
5 bring action in a court of competent jurisdiction for injunctive  
6 relief against the insurer, vision care discount plan or vision care  
7 plan and, upon prevailing, in addition to such injunctive relief,  
8 may recover monetary damages of equal to three (3) times the actual  
9 damages caused by the insurer, vision care discount plan or vision  
10 care plan plus attorney fees and costs.

11 SECTION 9. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 6979 of Title 36, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. The Insurance Commissioner shall:

15 1. Enforce the state's insurance laws and the provision of this  
16 act using powers granted to the Commissioner by law; and

17 2. Be entitled to seek an injunction against an insurer, vision  
18 care plan or vision care discount plan in a court of competent  
19 jurisdiction.

20 B. The Insurance Commissioner shall fine vision plans in a  
21 range from Ten Thousand Dollars (\$10,000.00) to One Hundred Thousand  
22 Dollars (\$100,000.00) for each violation of the provisions of this  
23 act.

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1 C. The Insurance Commissioner shall have the authority to  
2 prohibit the marketing of vision plans in Oklahoma that repeatedly  
3 violate the provisions of this act.

4 SECTION 10. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 6980 of Title 36, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. The requirements of this section apply to insurer, vision  
8 care plan and vision care discount plan policies, contracts,  
9 addendums and certificates executed, delivered, issued for delivery,  
10 continued or renewed in this state.

11 B. No insurer, vision care plan contract or vision care  
12 discount plan contract may be longer than two (2) years from the  
13 date that it was first signed.

14 C. No insurer, vision care plan or vision care discount plan  
15 shall construe re-credentialing as re-contracting with a vision care  
16 provider. All contracts must be a distinctly separate document from  
17 any credentialing materials and signed by the provider.

18 SECTION 11. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 6981 of Title 36, unless there  
20 is created a duplication in numbering, reads as follows:

21 The provisions of this act shall include all vision care plans  
22 and discount card plans upon renewal of enrollee's current plan or  
23 upon issue of a new plan to any enrollee. No contract provision  
24 shall violate the letter of the law.

1 SECTION 12. It being immediately necessary for the preservation  
2 of the public peace, health or safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

5 Passed the House of Representatives the 8th day of March, 2023.

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Presiding Officer of the House  
of Representatives

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10 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2023.

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Presiding Officer of the Senate

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