
SUBSTITUTE HOUSE BILL 1762

State of Washington 64th Legislature 2015 Regular Session

By House Health Care & Wellness (originally sponsored by Representatives Riccelli, Schmick, Jinkins, Harris, Cody, Van De Wege, Robinson, and Tharinger)

1 AN ACT Relating to enhancing the relationship between a health
2 insurer and a contracting health care provider; adding a new section
3 to chapter 48.20 RCW; adding a new section to chapter 48.21 RCW;
4 adding a new section to chapter 48.44 RCW; and adding a new section
5 to chapter 48.46 RCW.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.20
8 RCW to read as follows:

9 (1) The definitions in this subsection apply throughout this
10 section, unless the context clearly requires otherwise.

11 (a) "Covered vision materials or services" means vision materials
12 or vision services that:

13 (i) Are reimbursable under a health benefit plan; or

14 (ii) Would be reimbursable under the health benefit plan but for
15 the application of plan or contract limitations, such as benefit
16 maximums, deductibles, coinsurance, waiting periods, or frequency
17 limitations.

18 (b) "Vision care provider" means:

19 (i) An optometrist licensed under chapter 18.53 RCW;

1 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
2 physician and surgeon licensed under chapter 18.57 RCW, who has
3 completed a residency in ophthalmology; or

4 (iii) A dispensing optician licensed under chapter 18.34 RCW.

5 (c) "Vision materials" means ophthalmic devices, including, but
6 not limited to, devices containing lenses, artificial intraocular
7 lenses, ophthalmic frames and other lens mounting apparatuses,
8 prisms, lens treatments and coating, contact lenses, or prosthetic
9 devices to correct, relieve, or treat defects or abnormal conditions
10 of the human eye or its adnexa.

11 (d) "Vision services" means professional work performed by a
12 vision care provider within the scope of his or her practice.

13 (2) An insurer, or any contract or participating provider
14 agreement between the insurer and a vision care provider, may not:

15 (a) Require a vision care provider to provide vision materials or
16 vision services at a fee limited or set by the insurer, unless the
17 vision materials or vision services are covered vision materials or
18 services;

19 (b) Require a vision care provider to participate with, or be
20 credentialed by, another insurer, health carrier, or health benefit
21 plan as a condition to join one of the insurer's provider panels; or

22 (c) Restrict or limit, directly or indirectly, the vision care
23 provider's choice of sources and suppliers of vision services or
24 vision materials, including, but not limited to, optical labs.

25 (3) An insurer may not provide nominal reimbursement for vision
26 materials or vision services in order to claim that the vision
27 materials and vision services are covered vision materials or
28 services.

29 (4) An insurer must provide no less than sixty days' notice to
30 the vision care provider of any proposed amendments to a vision care
31 provider's contract with the insurer, and provide no less than thirty
32 days for the vision care provider to accept or reject such
33 amendments. A vision care provider's rejection of the amendment does
34 not affect the terms of the vision care provider's existing contract
35 with the insurer. If the notice of proposed amendment is delivered in
36 writing to the vision care provider via certified mail, the amendment
37 may be considered accepted in the absence of written notice of
38 rejection by the vision care provider within the thirty days
39 allocated for response.

1 (5) The commissioner shall respond to all complaints alleging
2 violations of this section using the same standards, timelines, and
3 procedures, regardless of the identity of the person or entity making
4 the complaint.

5 (6) The legislature finds that the practices covered by this
6 section are matters vitally affecting the public interest for the
7 purpose of applying the consumer protection act, chapter 19.86 RCW. A
8 violation of this chapter is not reasonable in relation to the
9 development and preservation of business and is an unfair or
10 deceptive act in trade or commerce and an unfair method of
11 competition for the purpose of applying the consumer protection act,
12 chapter 19.86 RCW.

13 (7) This section applies to contracts entered into or renewed on
14 or after the effective date of this section.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.21
16 RCW to read as follows:

17 (1) The definitions in this subsection apply throughout this
18 section, unless the context clearly requires otherwise.

19 (a) "Covered vision materials or services" means vision materials
20 or vision services that:

21 (i) Are reimbursable under a health benefit plan; or

22 (ii) Would be reimbursable under the health benefit plan but for
23 the application of plan or contract limitations, such as benefit
24 maximums, deductibles, coinsurance, waiting periods, or frequency
25 limitations.

26 (b) "Vision care provider" means:

27 (i) An optometrist licensed under chapter 18.53 RCW;

28 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
29 physician and surgeon licensed under chapter 18.57 RCW, who has
30 completed a residency in ophthalmology; or

31 (iii) A dispensing optician licensed under chapter 18.34 RCW.

32 (c) "Vision materials" means ophthalmic devices, including, but
33 not limited to, devices containing lenses, artificial intraocular
34 lenses, ophthalmic frames and other lens mounting apparatuses,
35 prisms, lens treatments and coating, contact lenses, or prosthetic
36 devices to correct, relieve, or treat defects or abnormal conditions
37 of the human eye or its adnexa.

38 (d) "Vision services" means professional work performed by a
39 vision care provider within the scope of his or her practice.

1 (2) An insurer, or any contract or participating provider
2 agreement between the insurer and a vision care provider, may not:

3 (a) Require a vision care provider to provide vision materials or
4 vision services at a fee limited or set by the insurer, unless the
5 vision materials or vision services are covered vision materials or
6 services;

7 (b) Require a vision care provider to participate with, or be
8 credentialed by, another insurer, health carrier, or health benefit
9 plan as a condition to join one of the insurer's provider panels; or

10 (c) Restrict or limit, directly or indirectly, the vision care
11 provider's choice of sources and suppliers of vision services or
12 vision materials, including, but not limited to, optical labs.

13 (3) An insurer may not provide nominal reimbursement for vision
14 materials or vision services in order to claim that the vision
15 materials and vision services are covered vision materials or
16 services.

17 (4) An insurer must provide no less than sixty days' notice to
18 the vision care provider of any proposed amendments to a vision care
19 provider's contract with the insurer, and provide no less than thirty
20 days for the vision care provider to accept or reject such
21 amendments. A vision care provider's rejection of the amendment does
22 not affect the terms of the vision care provider's existing contract
23 with the insurer. If the notice of proposed amendment is delivered in
24 writing to the vision care provider via certified mail, the amendment
25 may be considered accepted in the absence of written notice of
26 rejection by the vision care provider within the thirty days
27 allocated for response.

28 (5) The commissioner shall respond to all complaints alleging
29 violations of this section using the same standards, timelines, and
30 procedures, regardless of the identity of the person or entity making
31 the complaint.

32 (6) The legislature finds that the practices covered by this
33 section are matters vitally affecting the public interest for the
34 purpose of applying the consumer protection act, chapter 19.86 RCW. A
35 violation of this chapter is not reasonable in relation to the
36 development and preservation of business and is an unfair or
37 deceptive act in trade or commerce and an unfair method of
38 competition for the purpose of applying the consumer protection act,
39 chapter 19.86 RCW.

1 (7) This section applies to contracts entered into or renewed on
2 or after the effective date of this section.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.44
4 RCW to read as follows:

5 (1) The definitions in this subsection apply throughout this
6 section, unless the context clearly requires otherwise.

7 (a) "Covered vision materials or services" means vision materials
8 or vision services that:

9 (i) Are reimbursable under a health benefit plan; or

10 (ii) Would be reimbursable under the health benefit plan but for
11 the application of plan or contract limitations, such as benefit
12 maximums, deductibles, coinsurance, waiting periods, or frequency
13 limitations.

14 (b) "Vision care provider" means:

15 (i) An optometrist licensed under chapter 18.53 RCW;

16 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
17 physician and surgeon licensed under chapter 18.57 RCW, who has
18 completed a residency in ophthalmology; or

19 (iii) A dispensing optician licensed under chapter 18.34 RCW.

20 (c) "Vision materials" means ophthalmic devices, including, but
21 not limited to, devices containing lenses, artificial intraocular
22 lenses, ophthalmic frames and other lens mounting apparatuses,
23 prisms, lens treatments and coating, contact lenses, or prosthetic
24 devices to correct, relieve, or treat defects or abnormal conditions
25 of the human eye or its adnexa.

26 (d) "Vision services" means professional work performed by a
27 vision care provider within the scope of his or her practice.

28 (2) A health care services contractor, or any contract or
29 participating provider agreement between the health care services
30 contractor and a vision care provider, may not:

31 (a) Require a vision care provider to provide vision materials or
32 vision services at a fee limited or set by the health care services
33 contractor, unless the vision materials or vision services are
34 covered vision materials or services;

35 (b) Require a vision care provider to participate with, or be
36 credentialed by, another health care services contractor, health
37 carrier, or health benefit plan as a condition to join one of the
38 health care services contractor's provider panels; or

1 (c) Restrict or limit, directly or indirectly, the vision care
2 provider's choice of sources and suppliers of vision services or
3 vision materials, including, but not limited to, optical labs.

4 (3) A health care services contractor may not provide nominal
5 reimbursement for vision materials or vision services in order to
6 claim that the vision materials and vision services are covered
7 vision materials or services.

8 (4) A health care services contractor must provide no less than
9 sixty days' notice to the vision care provider of any proposed
10 amendments to a vision care provider's contract with the health care
11 services contractor, and provide no less than thirty days for the
12 vision care provider to accept or reject such amendments. A vision
13 care provider's rejection of the amendment does not affect the terms
14 of the vision care provider's existing contract with the health care
15 services contractor. If the notice of proposed amendment is delivered
16 in writing to the vision care provider via certified mail, the
17 amendment may be considered accepted in the absence of written notice
18 of rejection by the vision care provider within the thirty days
19 allocated for response.

20 (5) The commissioner shall respond to all complaints alleging
21 violations of this section using the same standards, timelines, and
22 procedures, regardless of the identity of the person or entity making
23 the complaint.

24 (6) The legislature finds that the practices covered by this
25 section are matters vitally affecting the public interest for the
26 purpose of applying the consumer protection act, chapter 19.86 RCW. A
27 violation of this chapter is not reasonable in relation to the
28 development and preservation of business and is an unfair or
29 deceptive act in trade or commerce and an unfair method of
30 competition for the purpose of applying the consumer protection act,
31 chapter 19.86 RCW.

32 (7) This section applies to contracts entered into or renewed on
33 or after the effective date of this section.

34 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.46
35 RCW to read as follows:

36 (1) The definitions in this subsection apply throughout this
37 section, unless the context clearly requires otherwise.

38 (a) "Covered vision materials or services" means vision materials
39 or vision services that:

1 (i) Are reimbursable under a health benefit plan; or
2 (ii) Would be reimbursable under the health benefit plan but for
3 the application of plan or contract limitations, such as benefit
4 maximums, deductibles, coinsurance, waiting periods, or frequency
5 limitations.

6 (b) "Vision care provider" means:

7 (i) An optometrist licensed under chapter 18.53 RCW;

8 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
9 physician and surgeon licensed under chapter 18.57 RCW, who has
10 completed a residency in ophthalmology; or

11 (iii) A dispensing optician licensed under chapter 18.34 RCW.

12 (c) "Vision materials" means ophthalmic devices, including, but
13 not limited to, devices containing lenses, artificial intraocular
14 lenses, ophthalmic frames and other lens mounting apparatuses,
15 prisms, lens treatments and coating, contact lenses, or prosthetic
16 devices to correct, relieve, or treat defects or abnormal conditions
17 of the human eye or its adnexa.

18 (d) "Vision services" means professional work performed by a
19 vision care provider within the scope of his or her practice.

20 (2) A health maintenance organization, or any contract or
21 participating provider agreement between the health maintenance
22 organization and a vision care provider, may not:

23 (a) Require a vision care provider to provide vision materials or
24 vision services at a fee limited or set by the health maintenance
25 organization, unless the vision materials or vision services are
26 covered vision materials or services;

27 (b) Require a vision care provider to participate with, or be
28 credentialed by, another health maintenance organization, health
29 carrier, or health benefit plan as a condition to join one of the
30 health maintenance organization's provider panels; or

31 (c) Restrict or limit, directly or indirectly, the vision care
32 provider's choice of sources and suppliers of vision services or
33 vision materials, including, but not limited to, optical labs.

34 (3) A health maintenance organization may not provide nominal
35 reimbursement for vision materials or vision services in order to
36 claim that the vision materials and vision services are covered
37 vision materials or services.

38 (4) A health maintenance organization must provide no less than
39 sixty days' notice to the vision care provider of any proposed
40 amendments to a vision care provider's contract with the health

1 maintenance organization, and provide no less than thirty days for
2 the vision care provider to accept or reject such amendments. A
3 vision care provider's rejection of the amendment does not affect the
4 terms of the vision care provider's existing contract with the health
5 maintenance organization. If the notice of proposed amendment is
6 delivered in writing to the vision care provider via certified mail,
7 the amendment may be considered accepted in the absence of written
8 notice of rejection by the vision care provider within the thirty
9 days allocated for response.

10 (5) The commissioner shall respond to all complaints alleging
11 violations of this section using the same standards, timelines, and
12 procedures, regardless of the identity of the person or entity making
13 the complaint.

14 (6) The legislature finds that the practices covered by this
15 section are matters vitally affecting the public interest for the
16 purpose of applying the consumer protection act, chapter 19.86 RCW. A
17 violation of this chapter is not reasonable in relation to the
18 development and preservation of business and is an unfair or
19 deceptive act in trade or commerce and an unfair method of
20 competition for the purpose of applying the consumer protection act,
21 chapter 19.86 RCW.

22 (7) This section does not apply to vision materials or vision
23 services provided directly by a health maintenance organization.

24 (8) This section applies to contracts entered into or renewed on
25 or after the effective date of this section.

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