
ENGROSSED 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)

READ FIRST TIME 02/20/15.

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; adding a new section to
5 chapter 48.46 RCW; and providing an effective date.

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)(i) "Noncovered vision materials or services" means vision
12 materials or vision services that are:

13 (A) Excluded from coverage under the terms and conditions of the
14 health benefit plan; or

15 (B) Ineligible for reimbursement under the health benefit plan.

16 (ii) Vision materials or vision services are not noncovered
17 vision materials or vision services solely because they are not
18 wholly or partially reimbursable due to the operation of plan or
19 contract limitations, such as benefit maximums, deductibles,
20 coinsurance, waiting periods, or frequency limitations.

21 (b) "Vision care provider" means:

1 (i) An optometrist licensed under chapter 18.53 RCW;
2 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
3 physician and surgeon licensed under chapter 18.57 RCW, who has
4 completed a residency in ophthalmology; or
5 (iii) A dispensing optician licensed under chapter 18.34 RCW.
6 (c) "Vision materials" means ophthalmic devices including, but
7 not limited to, devices containing lenses, artificial intraocular
8 lenses, ophthalmic frames and other lens mounting apparatuses,
9 prisms, lens treatments and coatings, contact lenses, or prosthetic
10 devices to correct, relieve, or treat defects or abnormal conditions
11 of the human eye or its adnexa.
12 (d) "Vision services" means professional work performed by a
13 vision care provider within the scope of his or her practice.
14 (2) An insurer, or any contract or participating provider
15 agreement between the insurer and a vision care provider, may not:
16 (a) Prohibit directly or indirectly an enrollee from freely
17 contracting at any time to obtain noncovered vision materials or
18 services outside the health benefit plan on any terms or conditions
19 the enrollee and vision care provider may agree to. Nothing in this
20 subsection may be construed to bind an insurer or vision care
21 provider for any noncovered vision materials or services. Nothing in
22 this subsection prohibits a vision care provider from choosing to
23 contractually opt in to a materials discount program sponsored by an
24 insurer or vision care plan;
25 (b) Require a vision care provider to participate with, or be
26 credentialed by, another insurer, health carrier, or health benefit
27 plan as a condition to join one of the insurer's provider panels; or
28 (c) Require a vision care provider to purchase vision services or
29 vision materials from suppliers, including optical labs, in which the
30 insurer has a financial interest.
31 (3) An insurer must provide no less than sixty days' notice to
32 the vision care provider of any proposed changes to a vision care
33 provider's contract with the insurer, which the vision care provider
34 may accept or reject at any time within the notice period. A vision
35 care provider's rejection of the amendment does not affect the terms
36 of the vision care provider's existing contract with the insurer. If
37 the notice of proposed amendment is delivered in writing to the
38 vision care provider via certified mail, the amendment may be
39 considered accepted in the absence of written notice of rejection by
40 the vision care provider within the sixty-day notice period.

1 (4) An insurer may require a vision care provider to notify the
2 insurer of any changes to his or her provider practice status
3 including, but not limited to, tax identification, address, phone
4 number, hours of operations, and providers on staff.

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

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

11 (1) The definitions in this subsection apply throughout this
12 section unless the context clearly requires otherwise.

13 (a)(i) "Noncovered vision materials or services" means vision
14 materials or vision services that are:

15 (A) Excluded from coverage under the terms and conditions of the
16 health benefit plan; or

17 (B) Ineligible for reimbursement under the health benefit plan.

18 (ii) Vision materials or vision services are not noncovered
19 vision materials or vision services solely because they are not
20 wholly or partially reimbursable due to the operation of plan or
21 contract limitations, such as benefit maximums, deductibles,
22 coinsurance, waiting periods, or frequency limitations.

23 (b) "Vision care provider" means:

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

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

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

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

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

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

1 (a) Prohibit directly or indirectly an enrollee from freely
2 contracting at any time to obtain noncovered vision materials or
3 services outside the health benefit plan on any terms or conditions
4 the enrollee and vision care provider may agree to. Nothing in this
5 subsection may be construed to bind an insurer or vision care
6 provider for any noncovered vision materials or services. Nothing in
7 this subsection prohibits a vision care provider from choosing to
8 contractually opt in to a materials discount program sponsored by an
9 insurer or vision care plan;

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

13 (c) Require a vision care provider to purchase vision services or
14 vision materials from suppliers, including optical labs, in which the
15 insurer has a financial interest.

16 (3) An insurer must provide no less than sixty days' notice to
17 the vision care provider of any proposed changes to a vision care
18 provider's contract with the insurer, which the vision care provider
19 may accept or reject at any time within the notice period. A vision
20 care provider's rejection of the amendment does not affect the terms
21 of the vision care provider's existing contract with the insurer. If
22 the notice of proposed amendment is delivered in writing to the
23 vision care provider via certified mail, the amendment may be
24 considered accepted in the absence of written notice of rejection by
25 the vision care provider within the sixty-day notice period.

26 (4) An insurer may require a vision care provider to notify the
27 insurer of any changes to his or her provider practice status
28 including, but not limited to, tax identification, address, phone
29 number, hours of operations, and providers on staff.

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

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.44
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)(i) "Noncovered vision materials or services" means vision
39 materials or vision services that are:

1 (A) Excluded from coverage under the terms and conditions of the
2 health benefit plan; or
3 (B) Ineligible for reimbursement under the health benefit plan.
4 (ii) Vision materials or vision services are not noncovered
5 vision materials or vision services solely because they are not
6 wholly or partially reimbursable due to the operation of plan or
7 contract limitations, such as benefit maximums, deductibles,
8 coinsurance, waiting periods, or frequency limitations.
9 (b) "Vision care provider" means:
10 (i) An optometrist licensed under chapter 18.53 RCW;
11 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
12 physician and surgeon licensed under chapter 18.57 RCW, who has
13 completed a residency in ophthalmology; or
14 (iii) A dispensing optician licensed under chapter 18.34 RCW.
15 (c) "Vision materials" means ophthalmic devices including, but
16 not limited to, devices containing lenses, artificial intraocular
17 lenses, ophthalmic frames and other lens mounting apparatuses,
18 prisms, lens treatments and coatings, contact lenses, or prosthetic
19 devices to correct, relieve, or treat defects or abnormal conditions
20 of the human eye or its adnexa.
21 (d) "Vision services" means professional work performed by a
22 vision care provider within the scope of his or her practice.
23 (2) A health care services contractor, or any contract or
24 participating provider agreement between the health care services
25 contractor and a vision care provider, may not:
26 (a) Prohibit directly or indirectly an enrollee from freely
27 contracting at any time to obtain noncovered vision materials or
28 services outside the health benefit plan on any terms or conditions
29 the enrollee and vision care provider may agree to. Nothing in this
30 subsection may be construed to bind a health care services contractor
31 or vision care provider for any noncovered vision materials or
32 services. Nothing in this subsection prohibits a vision care provider
33 from choosing to contractually opt in to a materials discount program
34 sponsored by a health care services contractor or vision care plan;
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) Require a vision care provider to purchase vision services or
2 vision materials from suppliers, including optical labs, in which the
3 health care services contractor has a financial interest.

4 (3) A health care services contractor must provide no less than
5 sixty days' notice to the vision care provider of any proposed
6 changes to a vision care provider's contract with the health care
7 services contractor, which the vision care provider may accept or
8 reject at any time within the notice period. A vision care provider's
9 rejection of the amendment does not affect the terms of the vision
10 care provider's existing contract with the health care services
11 contractor. If the notice of proposed amendment is delivered in
12 writing to the vision care provider via certified mail, the amendment
13 may be considered accepted in the absence of written notice of
14 rejection by the vision care provider within the sixty-day notice
15 period.

16 (4) A health care services contractor may require a vision care
17 provider to notify the health care services contractor of any changes
18 to his or her provider practice status including, but not limited to,
19 tax identification, address, phone number, hours of operations, and
20 providers on staff.

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

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

27 (1) The definitions in this subsection apply throughout this
28 section unless the context clearly requires otherwise.

29 (a)(i) "Noncovered vision materials or services" means vision
30 materials or vision services that are:

31 (A) Excluded from coverage under the terms and conditions of the
32 health benefit plan; or

33 (B) Ineligible for reimbursement under the health benefit plan.

34 (ii) Vision materials or vision services are not noncovered
35 vision materials or vision services solely because they are not
36 wholly or partially reimbursable due to the operation of plan or
37 contract limitations, such as benefit maximums, deductibles,
38 coinsurance, waiting periods, or frequency limitations.

39 (b) "Vision care provider" means:

1 (i) An optometrist licensed under chapter 18.53 RCW;
2 (ii) A physician licensed under chapter 18.71 RCW or osteopathic
3 physician and surgeon licensed under chapter 18.57 RCW, who has
4 completed a residency in ophthalmology; or
5 (iii) A dispensing optician licensed under chapter 18.34 RCW.
6 (c) "Vision materials" means ophthalmic devices including, but
7 not limited to, devices containing lenses, artificial intraocular
8 lenses, ophthalmic frames and other lens mounting apparatuses,
9 prisms, lens treatments and coatings, contact lenses, or prosthetic
10 devices to correct, relieve, or treat defects or abnormal conditions
11 of the human eye or its adnexa.
12 (d) "Vision services" means professional work performed by a
13 vision care provider within the scope of his or her practice.
14 (2) A health maintenance organization, or any contract or
15 participating provider agreement between the health maintenance
16 organization and a vision care provider, may not:
17 (a) Prohibit directly or indirectly an enrollee from freely
18 contracting at any time to obtain noncovered vision materials or
19 services outside the health benefit plan on any terms or conditions
20 the enrollee and vision care provider may agree to. Nothing in this
21 subsection may be construed to bind a health maintenance organization
22 or vision care provider for any noncovered vision materials or
23 services. Nothing in this subsection prohibits a vision care provider
24 from choosing to contractually opt in to a materials discount program
25 sponsored by a health maintenance organization or vision care plan;
26 (b) Require a vision care provider to participate with, or be
27 credentialed by, another health maintenance organization, health
28 carrier, or health benefit plan as a condition to join one of the
29 health maintenance organization's provider panels; or
30 (c) Require a vision care provider to purchase vision services or
31 vision materials from suppliers, including optical labs, in which the
32 health maintenance organization has a financial interest.
33 (3) A health maintenance organization must provide no less than
34 sixty days' notice to the vision care provider of any proposed
35 changes to a vision care provider's contract with the health
36 maintenance organization, which the vision care provider may accept
37 or reject at any time within the notice period. A vision care
38 provider's rejection of the changes does not affect the terms of the
39 vision care provider's existing contract with the health maintenance
40 organization. If the notice of proposed changes is delivered in

1 writing to the vision care provider via certified mail, the changes
2 may be considered accepted in the absence of written notice of
3 rejection by the vision care provider within the sixty-day notice
4 period.

5 (4) A health maintenance organization may require a vision care
6 provider to notify the health maintenance organization of any changes
7 to his or her provider practice status including, but not limited to,
8 tax identification, address, phone number, hours of operations, and
9 providers on staff.

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) This section does not apply to vision materials or vision
15 services provided directly by a health maintenance organization.

16 NEW SECTION. **Sec. 5.** This act takes effect January 1, 2016.

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