

VISION PLAN LAW

Section 27-56-10

Vision care providers - Contract requirements; rates; reimbursements; discounts.

(a) As used in this section, the following words shall have the following meanings:

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

(2) **COVERED MATERIALS.** Materials for which reimbursement from the insurer or vision care plan is provided to a vision care provider by an enrollee's plan contract, or for which a reimbursement would be available but for the application of the enrollee's contractual limitations of deductibles, copayments, or coinsurance.

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

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

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

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

(7) **VISION CARE PLAN.** An entity that creates, promotes, sells, provides, advertises, or administers an integrated or standalone vision benefit plan, or a vision care insurance policy or contract that provides vision benefits to an enrollee pertaining to the provision of covered services or covered materials. The term shall not include corporations organized pursuant to Article 6 of Chapter 20 of Title 10A, commencing at Section 10A-20-6.01, or to policies, plans, or contracts entered into, issued by, or administered by such corporations.

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

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

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

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

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

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

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

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

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

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

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

(g) The provisions of this section apply to insurer or vision care plan contracts, addendums, and certificates executed, delivered, issued for delivery, continued or renewed in this state. A vision care plan contract under this section may not be longer than two years from the date that it is executed. Vision care plans are prohibited from making changes to the provider manual without notification to an individual vision care provider.

(Act 2015-481, §1.)