



NATIONAL
ASSOCIATION
OF VISION
CARE PLANS

February 25, 2020

Senator Bob Hackett
Senate Building
1 Capitol Square, 1st Floor
Columbus, OH 43215

Re: NAVCP Support for NCOIL Draft Model Act Regarding Vision Care Services

Dear Senator Hackett:

I am writing to you on behalf of the the National Association of Vision Care Plans (NAVCP). NAVCP is the trade association for the managed vision care industry. Our 17 primary member companies manage extensive networks of vision care providers and include vision benefit coverage for over 180 million Americans. We were pleased to work with you in Ohio to come to consensus legislation and we are pleased to support your effort to make a model for consideration nationally.

Benefits of the Draft Model

NAVCP believes that this model addresses the crucial elements to benefit consumers and patients while offering flexibility and certainty to plans and providers. The model legislation provides freedom to optometrists and ophthalmologists, allowing a vision plan to market discounts on their non-covered products only if they wish, while also protecting access to lower cost eyewear for patients.

The model legislation is broken into the following sections:

Critical Definitional Differences between Vision and Dental

Important Definitions [Sections A, B, and C]:

- Define “vision care materials” to distinguish materials from services. Discounts on services were the most important dental issue.
- Treats Optometrists and Ophthalmologists equally as “vision care providers”

Regulates Vision Care Plan Contracts

Places restrictions on Vision Plan contracts [Section D]:

- Prohibits vision plans from setting prices on noncovered services and materials as a condition of joining a network [Section (1)(a)]
- Allows for providers to participate in a discount program only if they choose [Section (1)(b)]
- Guarantees the provider freedom to describe all options to a patient in [Section (2)]

Protects Patients

Protects patients by providing notice when pricing can differ.

- Guarantees plans the freedom to keep enrollees informed of their benefits and options in a way that is fair to providers [Section (E)]
- Requires providers to inform patients of their options at the point of service [Section (F)]

History of this Issue at NCOIL and in the States

Originated from the Dental Industry

In 2010 NCOIL passed model legislation to prohibit dental plans from taking discounts on non-covered dental services. To date, 40 states have adopted legislation prohibiting these dental services discounts. While widely adopted, some states, including New York, have rejected the legislation as specifically anti-consumer.

Following the development of dental legislation, states began considering and passing legislation to prohibit non-covered discounts on optometric and ophthalmologic services provided through vision plans. At first, vision care plans had few objections to this legislation as the major service provided through vision care plans is an annual eye examination, which is fully covered. NAVCP agreed to legislation in Connecticut on this issue in 2015. However, it became clear that the intent of state optometric societies was not to prohibit non-covered discounts on services, but to prohibit managed care cost controls on eyewear.

Optometric Legislation went Beyond Similar Dental Bills

Shifting from services to materials represented a fundamental change from prior dental legislation. In addition to providing health care services, vision care providers frequently refer their patients to their own dispensary for the purchase of eyewear at retail. This creates some significant differences from the dental model, including:

- Vision care providers who own their dispensaries set the final retail pricing for eyewear
- Fully covered eyewear may have non-covered add-ons (tinting, coating, etc.)
- Patients have a number of options to purchase eyewear apart from the provider

NAVCP objected to these laws because it created an environment where the price of fully covered eyewear could be increased without any limits set by a plan, resulting in larger out of pocket costs for enrollees. Additionally, these laws restricted the ability of the plan and a willing provider to steer an enrollee to their in-network provider for the purchase of eyewear. Over the course of the past 7 years, 20 States have adopted legislation prohibiting discounts – although some allow providers to join discounting arrangements at their option.

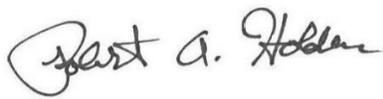
NAVCP Supports the Provider Dispensed Eyewear Model of Care

NAVCP's support for this model also rests on the demonstrated correlation between an enrollee's vision benefit and good eye health habits. Independent studies have shown that more than 87 percent of Americans with a vision benefit intend to get an eye exam within the next 12 months compared to only 67 percent of those without a vision benefit. Once they have the exam, 67 percent of those with a benefit will get new eyewear compared to only 34 percent of those without a benefit.

This is critical because regular eye exams ensure changes in vision are detected and the patient has an accurate prescription. Even small changes in vision can impact productivity, especially in an economy where the use of digital screens and other vision-dependent tasks are commonplace. Providers administering the examination are also in the unique position to catch the early signs of eye disease and serious medical conditions like diabetes, hypertension and cholesterol. Since Americans are four times more likely to get an eye exam than a physical, vision care providers can alert patients sooner to health risks beyond their vision.

Thank you for your consideration of this issue. We look forward to following up with you in Charlotte at the NCOIL meeting.

Sincerely,

A handwritten signature in black ink that reads "Robert A. Holden". The signature is written in a cursive style with a large initial "R" and "H".

Robert Holden
State Government Affairs Director