[First Reprint]

ASSEMBLY, No. 2336

STATE OF NEW JERSEY

217th LEGISLATURE

INTRODUCED FEBRUARY 4, 2016

Sponsored by:

Assemblyman DANIEL R. BENSON **District 14 (Mercer and Middlesex)** Assemblyman JON M. BRAMNICK **District 21 (Morris, Somerset and Union)**

Co-Sponsored by: **Assemblywoman Caride**

SYNOPSIS

Prohibits health insurance carriers from requiring optometrists to become providers with vision care plans as condition of becoming providers in carriers' panel of providers; prohibits certain practices under vision care provider contracts.

CURRENT VERSION OF TEXT

As reported by the Assembly Financial Institutions and Insurance Committee on June 1, 2017, with amendments.



(Sponsorship Updated As Of: 6/6/2017)

1	AN ACT	concerning	optometrists	and	vision	care	plans	and
2	supplementing P.L.1997, c.192 (C.26:2S-1 et seq.).							

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. a. A carrier shall not require an optometrist to participate in a vision care plan as a condition for entering into a contract with that carrier for the provision of medically necessary physician services within the scope of practice of an optometrist ¹ [when those services are provided as a health benefit for covered persons]¹.

b. ¹[For purposes of this section, "vision care plan" means an organization with which a carrier subcontracts to provide or administer supplemental vision or medically necessary physician services within the scope of practice of an optometrist, or both, to covered persons on behalf of the carrier.

c. **1** Nothing in this section shall be construed to prevent a carrier from entering into a contract with a vision care plan.

- ¹2. a. No contract between a carrier or a vision care plan and a vision care provider may seek to or require that a vision care provider provide services or materials at a fee limited or set by the carrier or vision care plan unless the services or materials are reimbursed as covered services or covered materials under the contract.
- b. A vision care provider shall not charge more for services and materials that are noncovered services or noncovered materials to an enrollee of a vision care plan or carrier than the provider's usual and customary rate for those services and materials.¹

- ¹3. a. No contract between a carrier or vision care plan and a vision care provider shall 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 provided by the vision care provider to an enrollee.
- b. No carrier or vision care plan shall change the terms, contractual discounts or reimbursement rates contained therein without a signed acknowledgement of written contract concerning the change from the vision care provider.¹

- ¹4. As used in this act:
- 42 <u>"Contractual discount" means a reduction from a vision care</u>
 43 <u>provider's usual and customary rate for covered services and</u>
 44 <u>materials required under a participating provider agreement.</u>

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined \underline{thus} is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted June 1, 2017.

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1 "Covered materials" means materials for which reimbursement 2 from the carrier or vision care plan is provided to a vision care 3 provider by a covered person's plan contract, or for which a 4 reimbursement would be available but for the application of the 5 enrollee's contractual limitations of deductibles, copayments, or 6 coinsurance. 7 "Covered services" means services for which reimbursement 8 from the carrier or vision care plan is provided to a vision care 9 provider by a an enrollee's plan contract, or for which a 10 reimbursement would be available but for the application of the 11 enrollee's contractual limitations of deductibles, copayments, or 12 coinsurance. 13 "Materials" means ophthalmic devices including but not limited 14 to lenses, devices containing lenses, artificial intraocular lenses, 15 ophthalmic frames and other lens mounting apparatus, prisms, lens 16 treatments and coatings contact lenses, and prosthetic devices to 17 correct, relieve, or treat defects or abnormal conditions of the 18 human eye or its adnexa. 19 "Services" means the professional work performed by a vision 20 care provider. 21 "Vision care plan" means an entity that creates, promotes, sells, 22 provides, advertises or administers, an integrated or stand-alone 23 vision benefit plan, or a vision care insurance policy or contract 24 which provides vision or medically necessary benefits to an enrollee 25 pertaining to the provision of covered services or covered materials. 26 "Vision care provider" means a licensed doctor of optometry 27 practicing under the authority of R.S.45:12-1 et seq. or a licensed medical or osteopathic doctor practicing under the authority of 28 29 R.S.45:9-1 et seq. that has also completed a residency in 30 ophthalmology. 1 31 32

¹[2.] 5. This act shall take effect on the 120th day next following enactment. 33