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LEGISLATIVE BILL REVIEW FORM: 2013

Bill Number: S.281
Name of Bill: An act relating to vision riders and a choice of providers for vision and eye care services
http://www.leg.state.vt.us/docs/2014/bills/Intro/S-281.pdf

Agency/ Dept: DVHA **Author of Bill Review: Selina Hickman**

Date of Bill Review: 2/14/14 **Status of Bill: (check one):**

___X__Upon Introduction **_____ As passed by 1st body** **_____As passed by both bodies**

Recommended Position:

_____Support **_____Oppose** **___X__Remain Neutral** **_____Support with modifications identified in #8 below**

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

This bill requires health insurance plans as defined in 18 V.S.A. § 9402 (not including Medicaid) to:

- Provide a choice of vision providers: physician, optometrist, ophthalmologist or osteopathic physician for vision care and medical eye care services.
- Ensure that there is no difference in co-insurance or cost-sharing for these provider services.
- Reimburse the above providers at the same rate for the same services when provided by any of these providers practicing within the scope of their practice.
- Restricts health insurance plans from requiring that "materials" (i.e. lenses, glasses, prisms, etc.) be provided at a discount as a condition of enrollment.
- Includes some other requirements about equitable reimbursement relating to covered and non-covered services.

2. Is there a need for this bill? *Please explain why or why not.*

This bill sets standards for health insurers that cover vision services. To the extent that this coverage is not otherwise regulated or standardized, the bill will benchmark what is appropriate industry practice and thereby provide some protection to providers and consumers.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

This bill does not apply to Medicaid. However, it is likely that if industry standards as set through this bill, any Medicaid provisions for vision coverage that are not aligned with this bill would come under scrutiny and potential pressure to align more closely.

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Medicaid alignment:

- ✓ Beneficiaries can choose to see any vision provider they wish that is enrolled in Medicaid.
- ✓ Opticians, optometrists or ophthalmologist are currently in Rule as providers of vision services.
    - Currently Osteopaths are not vision care providers and there is some question as to which Medicaid covered services would be within their scope. Beyond the scope question, equipment for vision exams is sophisticated and Osteopaths may not have all equipment needed.
- ✓ Under Medicaid there is no difference in co-insurance or cost-sharing for these provider services.
- ✓ Medicaid already reimburses the above providers (with the exception of osteopaths) at the same rate for the same services when provided by any of these providers practicing within the scope of their practice.
- ✓ Material discounts are not required of participating vision providers. However:
    - Medicaid has a sole source contract for all our eyewear (7316.7). My reading of the bill is that this would not need to change, rather, the bill defines how these payments should be made to providers, if/when they are made, and does not require that all enrolled providers be able to furnish "materials" as a part of their contract. Should this bill ever be expanded to apply to Medicaid, it would be important for us to validate this interpretation.

Notes on reimbursement: Medicaid Rates for Vision services based on Provider type

Rates: Based on a sampling of vision related codes being billed, including Ophthalmic Medical Services, (eg 92002 – 92014 series) and Ophthalmic Special Services (92015 – 92140 series), review reveals that the rates for these services are detailed in our professional fee schedule and that our claims processing system does not distinguish provider type nor provider specialty for the codes reviewed. Medicaid's professional fee schedule implements a methodology based on the relative value of services to determine payment. Therefore, any provider billing these codes appropriately within their scope of practice would be reimbursed at the rate on file.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

I had a quick check in with Devon Green at AoA to rule out impacts to QHPs. Per her words, similar to Medicaid, QHPs would not be overly impacted should this bill pass, however, a review has not been done yet to learn if BCBS and MVP coverage provisions would need to be updated or changed based on this legislation.

A similar analysis should also be done in order to understand potential impact to health insurance coverage for state employees.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (f*or example, public, municipalities, organizations, business, regulated entities, etc)*

This is still unknown. We would look to other insurers to provide input during testimony and could reach out prior to testimony if this was a priority.

6. Other Stakeholders:

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Consumers/advocates, Commercial Insurers

6.1 Who else is likely to support the proposal and why?

Consumers, advocates

6.2 Who else is likely to oppose the proposal and why?

There is potential for Commercial Insurers to oppose depending on how large of a change or impact this is to their current business mode.

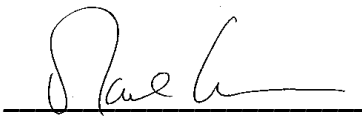
7. Rationale for recommendation: *Justify recommendation stated above.*

Neutral: As written, this bill does not apply to Medicaid. If it were broadened, it would not be difficult for Medicaid to come into alignment*.

* *As long as current interpretation of "materials" requirement is correct.*

8. Specific modifications that would be needed to recommend support of this bill*: Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

None

Secretary/Commissioner has reviewed this document:  ***Date: _2/19/14___***

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