#### 26:2S-10.4 TO 26:2S-10.7

#### LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF**: 2017 **CHAPTER**: 264

NJSA: 26:2S-10.4 TO 26:2S-10.7 (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.)

BILL NO: A2336 (Substituted for S3108)

**SPONSOR(S)** Benson and others

DATE INTRODUCED: 2/4/2016

**COMMITTEE:** ASSEMBLY: Financial Institutions & Insurance

**SENATE:** Commerce

AMENDED DURING PASSAGE: Yes

**DATE OF PASSAGE:** ASSEMBLY: 12/7/2017

**SENATE**: 12/18/2017

DATE OF APPROVAL: 1/8/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Second Reprint enacted)
Yes

A2336

**SPONSOR'S STATEMENT:** (Begins on page 2 of introduced bill) Yes

**COMMITTEE STATEMENT:** ASSEMBLY: Yes

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

S3108

SPONSOR'S STATEMENT: (Begins on page 2 of introduced bill) Yes

**COMMITTEE STATEMENT:** ASSEMBLY: No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

(continued)

VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	No
FOLLOWING WERE PRINTED:  To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or mailto:reference.	
REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

RH/CL

#### P.L.2017, CHAPTER 264, approved January 8, 2018 Assembly, No. 2336 (Second Reprint)

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

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

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- 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 <sup>1</sup>[when those services are provided as a health benefit for covered persons]<sup>1</sup>.
- b. <sup>1</sup>[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.

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- <sup>1</sup>2. 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.<sup>1</sup>

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- <sup>1</sup>3. <sup>2</sup>[a.]<sup>2</sup> 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.
- <sup>2</sup>[b.No carrier or vision care plan shall change the terms, 37 contractual discounts or reimbursement rates contained therein

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 thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup>Assembly AFI committee amendments adopted June 1, 2017.

<sup>&</sup>lt;sup>2</sup>Assembly floor amendments adopted June 8, 2017.

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1	without a signed acknowledgement of written contract concerning
2	the change from the vision care provider. <sup>1</sup> ] <sup>2</sup>
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4	<sup>1</sup> 4. As used in this act:
5	"Contractual discount" means a reduction from a vision care
6	provider's usual and customary rate for covered services and
7	materials required under a participating provider agreement.
8	"Covered materials" means materials for which reimbursement
9	from the carrier or vision care plan is provided to a vision care
10	provider by a covered person's plan contract, or for which a
11	reimbursement would be available but for the application of the
12	enrollee's contractual limitations of deductibles, copayments, or
13	coinsurance.
14	"Covered services" means services for which reimbursement
15	from the carrier or vision care plan is provided to a vision care
16	provider by an enrollee's plan contract, or for which a
17	reimbursement would be available but for the application of the
18	enrollee's contractual limitations of deductibles, copayments, or
19	coinsurance.
20	"Materials" means ophthalmic devices including but not limited
21	to lenses, devices containing lenses, <sup>2</sup> [artificial intraocular
22	lenses,] <sup>2</sup> ophthalmic frames and other lens mounting apparatus,
23	prisms, lens treatments and coatings contact lenses, and prosthetic
24	devices to correct, relieve, or treat defects or abnormal conditions
25	of the human eye or its adnexa.
<ul><li>26</li><li>27</li></ul>	"Services" means the professional work performed by a vision care provider.
28	"Vision care plan" means an entity that creates, promotes, sells,
29	provides, advertises or administers, an integrated or stand-alone
30	vision benefit plan, or a vision care insurance policy or contract
31	which provides vision or medically necessary benefits to an enrollee
32	pertaining to the provision of covered services or covered materials.
33	"Vision care provider" means a licensed doctor of optometry
34	practicing under the authority of R.S.45:12-1 et seq. or a licensed
35	medical or osteopathic doctor practicing under the authority of
36	R.S.45:9-1 et seq. that has also completed a residency in
37	ophthalmology.1
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39	<sup>1</sup> [2.] <u>5.</u> This act shall take effect on the 120th day next
40	following enactment.
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45	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.

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## 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)

#### **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.

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/19/2017)

#### A2336 BENSON, BRAMNICK

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 when those services are provided as a health benefit for covered persons.
- b. 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. Nothing in this section shall be construed to prevent a carrier from entering into a contract with a vision care plan.

2. This act shall take effect on the 120th day next following enactment.

#### **STATEMENT**

This bill prohibits health insurance carriers from requiring optometrists to accept a contract with a vision care plan as a condition for participation in the carrier's provider networks for the provision of medically necessary physician services within the scope of practice of an optometrist. Nothing in the bill is to be construed to prevent a carrier from entering into a contract with a vision care plan.

Currently, optometrists may be required by health insurance carriers to accept a contract with a vision care plan in order to be part of the provider network for the provision of medically necessary physician services within the scope of practice of an optometrist, while the same requirement is not applied to other eye care providers.

# ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

#### STATEMENT TO

#### ASSEMBLY, No. 2336

with committee amendments

## STATE OF NEW JERSEY

**DATED: JUNE 1, 2017** 

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 2336.

As amended, this bill prohibits health insurance carriers from requiring optometrists to accept a contract with a vision care plan as a condition for participation in the carrier's provider networks for the provision of medically necessary physician services within the scope of practice of an optometrist. Nothing in the bill is to be construed to prevent a carrier from entering into a contract with a vision care plan.

Currently, optometrists may be required by health insurance carriers to accept a contract with a vision care plan in order to be part of the provider network for the provision of medically necessary physician services within the scope of practice of an optometrist, while the same requirement is not applied to other eye care providers.

Some vision care plans may have requirements that an optometrist may not be able satisfy such as providing retail services or dispensing of lenses or frames. Some optometrists only provide medical eye care services. Patients may be denied the freedom to choose an optometrist for necessary medical eye care if an optometrist is denied participation in the carrier's provider network, resulting in duplication of services and increased costs.

The bill further provides that:

- (1) 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; and
- (2) 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.

In addition, the bill provides that:

- (1) 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.
- (2) 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.

#### **COMMITTEE AMENDMENTS:**

The committee amended the bill to provide:

- 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.
- 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.
- 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.
- 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.

#### STATEMENT TO

# [First Reprint] **ASSEMBLY, No. 2336**

with Assembly Floor Amendments (Proposed by Assemblyman BENSON)

ADOPTED: JUNE 8, 2017

These amendments remove from the bill a requirement that a carrier or a vision care plan must obtain a signed acknowledgement of written contract change from vision care providers, in order to change the terms, contractual discounts or reimbursement rates contained in a contract. The amendments also delete "artificial intraocular lenses" from the definition of materials.

# SENATE, No. 3108

# STATE OF NEW JERSEY

## 217th LEGISLATURE

INTRODUCED MAY 1, 2017

**Sponsored by:** 

Senator NICHOLAS P. SCUTARI

**District 22 (Middlesex, Somerset and Union)** 

**Senator GERALD CARDINALE District 39 (Bergen and Passaic)** 

#### **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.

#### **CURRENT VERSION OF TEXT**

As introduced.



#### S3108 SCUTARI, CARDINALE

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 when those services are provided as a health benefit for covered persons.

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

2. This act shall take effect on the 120th day next following enactment.

#### **STATEMENT**

This bill prohibits health insurance carriers from requiring optometrists to accept a contract with a vision care plan as a condition for participation in the carrier's provider networks for the provision of medically necessary physician services within the scope of practice of an optometrist. Nothing in the bill is to be construed to prevent a carrier from entering into a contract with a vision care plan.

Currently, optometrists may be required by health insurance carriers to accept a contract with a vision care plan in order to be part of the provider network for the provision of medically necessary physician services within the scope of practice of an optometrist, while the same requirement is not applied to other eye care providers.

#### SENATE COMMERCE COMMITTEE

#### STATEMENT TO

#### SENATE, No. 3108

with committee amendments

## STATE OF NEW JERSEY

DATED: DECEMBER 4, 2017

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 3108.

This bill, as amended, prohibits health insurance carriers from requiring optometrists to accept a contract with a vision care plan as a condition for participation in the carrier's provider networks for the provision of medically necessary physician services within the scope of practice of an optometrist. Nothing in the bill is to be construed to prevent a carrier from entering into a contract with a vision care plan.

Currently, optometrists may be required by health insurance carriers to accept a contract with a vision care plan in order to be part of the provider network for the provision of medically necessary physician services within the scope of practice of an optometrist, while the same requirement is not applied to other eye care providers.

The bill further provides that:

- (1) 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;
- (2) 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; and
- (3) 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.

#### **COMMITTEE AMENDMENTS:**

The committee amended the bill to provide:

•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.

•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.

•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