

Chapter 575

(Senate Bill 904)

AN ACT concerning

Health Insurance – Vision Services – Provider Contracts ~~and Delivery~~ Systems

FOR the purpose of prohibiting a carrier from including in a vision provider contract a provision that requires a vision provider to provide certain services at a fee set by the carrier or provide discounts on materials that are not covered benefits; ~~requiring a carrier to offer a certain vision point of service delivery system option to certain persons under certain circumstances; prohibiting a carrier from imposing a minimum participation level on a vision point of service option under certain circumstances; authorizing an employer, association, or other private group arrangement to require an employee or other individual to pay a certain premium under certain circumstances; authorizing a carrier to impose different cost-sharing provisions for a vision point of service option based on whether the vision service is provided through the carrier's provider panel or outside the carrier's provider panel;~~ prohibiting a carrier from including in a vision provider contract a provision that requires a vision provider, as a condition of participating in a fee-for-service vision provider panel, to participate in a capitated vision provider panel, with a certain exception; ~~defining certain terms a certain term;~~ providing for the application of this Act; providing for a delayed effective date; and generally relating to vision services and health insurance carriers.

BY repealing and reenacting, without amendments,
Article – Insurance
Section 15–112.2(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY adding to
Article – Insurance
Section 15–112.2(h) ~~and 15–114.1~~
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Insurance

15-112.2.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Capitated dental provider panel” means a provider panel for one or more dental plan organizations offering contracts only for dental services reimbursed on a capitated basis for certain services.
- (3) “Carrier” means:
- (i) an insurer;
 - (ii) a nonprofit health service plan;
 - (iii) a health maintenance organization; or
 - (iv) a dental plan organization.
- (4) “Enrollee” means a person entitled to health care benefits from a carrier.
- (5) “Fee-for-service dental provider panel” means a provider panel for one or more dental plan organizations, insurers, or nonprofit health service plans offering contracts only for dental services reimbursed on a full or discounted fee-for-service basis.
- (6) “HMO provider panel” means a provider panel for one or more health maintenance organizations.
- (7) “Managed care organization” has the meaning stated in § 15-101 of the Health – General Article.
- (8) “Non-HMO provider panel” means a provider panel for one or more nonprofit health service plans or insurers.
- (9) “Provider” has the meaning stated in § 19-701 of the Health – General Article.
- (10) “Provider contract” means a contract:
- (i) between a provider and a carrier, an affiliate of a carrier, or an entity that contracts with a provider to serve a carrier; and
 - (ii) under which the provider agrees to provide health care services to enrollees.

(11) "Provider panel" means the providers that contract either directly or through a subcontracting entity with a carrier to provide health care services to enrollees.

(H) (1) IN THIS SUBSECTION, "COVERED SERVICES" MEANS HEALTH CARE SERVICES THAT ARE REIMBURSABLE UNDER A POLICY OR CONTRACT FOR VISION SERVICES BETWEEN AN ENROLLEE AND A CARRIER, SUBJECT TO ANY CONTRACTUAL LIMITATIONS ON BENEFITS, INCLUDING DEDUCTIBLES, COPAYMENTS, OR FREQUENCY LIMITATIONS.

(2) A CARRIER MAY NOT INCLUDE IN A VISION PROVIDER CONTRACT A PROVISION THAT REQUIRES A VISION PROVIDER:

(I) TO PROVIDE HEALTH CARE SERVICES THAT ARE NOT COVERED SERVICES AT A FEE SET BY THE CARRIER; OR

(II) TO PROVIDE DISCOUNTS ON MATERIALS THAT ARE NOT COVERED BENEFITS.

(3) (I) A CARRIER MAY NOT INCLUDE IN A VISION PROVIDER CONTRACT A PROVISION THAT REQUIRES A VISION PROVIDER, AS A CONDITION OF PARTICIPATION IN A FEE-FOR-SERVICE VISION PROVIDER PANEL, TO PARTICIPATE IN A CAPITATED VISION PROVIDER PANEL.

(II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS PARAGRAPH, A VISION PROVIDER CONTRACT MAY CONTAIN A PROVISION THAT REQUIRES A VISION PROVIDER, AS A CONDITION OF PARTICIPATING IN A NON-HMO VISION PROVIDER PANEL OR AN HMO VISION PROVIDER PANEL TO PARTICIPATE IN A MANAGED CARE ORGANIZATION.

~~15-114.1.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(2) "CARRIER" MEANS:~~

~~(I) AN INSURER;~~

~~(II) A NONPROFIT HEALTH SERVICE PLAN;~~

~~(III) A HEALTH MAINTENANCE ORGANIZATION;~~

~~(IV) A VISION PLAN ORGANIZATION; OR~~

~~(V) ANY OTHER PERSON THAT PROVIDES VISION BENEFIT PLANS SUBJECT TO REGULATION BY THE STATE.~~

~~(3) "VISION POINT OF SERVICE OPTION" MEANS A DELIVERY SYSTEM THAT ALLOWS AN INSURED, ENROLLEE, OR OTHER COVERED PERSON UNDER A VISION BENEFIT PLAN TO RECEIVE VISION SERVICES OUTSIDE A PROVIDER PANEL.~~

~~(4) "PROVIDER PANEL" MEANS THE PROVIDERS THAT CONTRACT WITH A CARRIER TO PROVIDE VISION SERVICES TO THE CARRIER'S INSURED, ENROLLEES, OR OTHER COVERED PERSONS UNDER THE CARRIER'S VISION BENEFIT PLAN.~~

~~(B) (1) IF AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT OFFERS VISION PLAN COVERAGE TO EMPLOYEES OR OTHER INDIVIDUALS ONLY THROUGH A CARRIER'S PROVIDER PANEL, THE CARRIER OF THE EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT SHALL OFFER, OR CONTRACT WITH ANOTHER CARRIER TO OFFER, A VISION POINT OF SERVICE OPTION TO THE EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT AS AN ADDITIONAL BENEFIT FOR AN EMPLOYEE OR OTHER INDIVIDUAL, TO ACCEPT OR REJECT AT THE EMPLOYEE'S OR OTHER INDIVIDUAL'S OPTION.~~

~~(2) IF A CARRIER'S VISION PROVIDER PANEL IS THE SOLE DELIVERY SYSTEM OFFERED TO EMPLOYEES BY AN EMPLOYER, THE CARRIER:~~

~~(I) SHALL OFFER THE EMPLOYER A VISION POINT OF SERVICE OPTION FOR THE INDIVIDUAL EMPLOYEE TO ACCEPT OR REJECT; AND~~

~~(II) MAY NOT IMPOSE A MINIMUM PARTICIPATION LEVEL ON THE VISION POINT OF SERVICE OPTION.~~

~~(C) (1) AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT MAY REQUIRE AN EMPLOYEE OR OTHER INDIVIDUAL WHO ACCEPTS THE ADDITIONAL COVERAGE UNDER A VISION POINT OF SERVICE OPTION UNDER SUBSECTION (B) OF THIS SECTION TO PAY A PREMIUM OVER THE AMOUNT OF THE PREMIUM FOR THE VISION BENEFIT COVERAGE OFFERED BY THE CARRIER ONLY THROUGH ITS PROVIDER PANEL.~~

~~(2) A CARRIER MAY IMPOSE DIFFERENT COST SHARING PROVISIONS FOR THE VISION POINT OF SERVICE OPTION BASED ON WHETHER~~

~~THE VISION SERVICE IS PROVIDED THROUGH THE CARRIER'S PROVIDER PANEL OR OUTSIDE THE CARRIER'S PROVIDER PANEL.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all vision provider contracts issued, delivered, or renewed in the State on or after ~~October 1, 2013~~ April 1, 2014.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2013~~ April 1, 2014.

Approved by the Governor, May 16, 2013.