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TO: The Honorable Peter A. Hammen, Chairman
Members, House Health & Government Operations Committee
The Honorable Wade Kach

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise

DATE: March 14, 2013

RE: **SUPPORT** – House Bill 1160 – *Health Insurance – Vision Services – Provider Contracts and Delivery Systems*

The Maryland State Medical Society (MedChi), which represents over 7,500 Maryland physicians and their patients, supports House Bill 1160.

House Bill 1160 will accomplish two purposes. First, it requires that doctors who participate with vision service plans may not be limited in the amounts that they charge for non “covered services” although, obviously, they have agreed to certain fees amounts for “covered services.” As to this issue, House Bill 1160 provides the same protection that was given a few years ago to dentists with respect to contracts with dental plan organizations.

The second issue addressed by House Bill 1160 is to allow what is known as a “point of service” option with respect to closed panel vision plans. Hence, an employer who offered a “closed panel” vision plan would have to offer the employee the option of paying an additional premium to have a “point of service” option which would allow the employee to go to a doctor outside of the closed panel network (page 4, lines 12-24). In this regard, House Bill 1160 mimics the provisions of the Patient Access Act which was passed by the Maryland General Assembly in 1995 to address the limitations contained in “closed panel” HMOs. The provisions of the Patient Access Act can be found in the Health General Article §19-710.2.

While greatly contested in 1995, the Point of Service requirement did not result in any significant dislocation as more and more HMOs change their business arrangements to allow for out-of-network benefits.

House Bill 1160 extends to vision providers (ophthalmologists and optometrists) protections that the General Assembly has given to dentists and all other health care providers. MedChi urges a favorable report on House Bill 1160.

For more information call:

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