

Bill Summary

COMMITTEE: Banking and Insurance

DATE: 3/5/10

PRIME SPONSOR: Pippy

BILL NO: SB204

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A. Synopsis:

Senate Bill 204 adds a section to the Unfair Insurance Practices Act by specifying "unfair methods of competition," and "unfair or deceptive acts or practices" in the business of insurance.

B. Summary:

Under this bill, it would be unlawful to:

- Require an insured to obtain ophthalmic services and products from a vision laboratory as a condition of payment for the vision services.
- Impose a copayment upon an insured who is not utilizing an ophthalmic service or product from a vision laboratory.
- Hamper competition by: restraining providers' ability to compete in the market, depriving an insured of the choice associated with free and open competition in the sale of ophthalmic products, suppressing competition based on quality and service, and reducing the quality and level of care in the purchase of a product or impairing the right of the insured to determine from where ophthalmic products are made.
- Create a preferred class of providers not held to uniform conditions of participation under the same employer's purchased health, vision, or other care contracts.
- Require the purchase of a minimum quantity or dollar amount of a specified brand of materials to participate as a provider in a vision or other health care plan.
- Require a provider to participate in a vision benefit as a condition of participation in a health care plan.

This act will take effect in 60 days.