

SENATE BILL 85: Allow Vision Service Plans.

2021-2022 General Assembly

Committee: House Rules, Calendar, and Operations of the Date: September 27, 2021

House

Introduced by: Sens. Corbin, Burgin, Woodard Prepared by: Jason Moran-Bates Analysis of: Staff Attorney

OVERVIEW: Senate Bill 85 would allow hospital service corporations authorized under Article 65 of Chapter 58 (Article) to offer vision service plans. The bill would make changes to the insurance laws by defining any nonprofit corporation authorized under the Article that operates any dental, health care, medical, or vision service plan, as a "hospital service corporation" and would rename "hospital service plan" to "health care service plan."

CURRENT LAW: Article 65 of Chapter 58 regulates Hospital, Medical, and Dental Service Corporations. These are nonprofit corporations authorized to operate hospital, medical, or dental service plans. A corporation properly organized under the Article may enter in to contracts for the rendering of services or care provided in whole or in part by the corporation, hospitals, physicians, or dentists participating in these plans.

BILL ANALYSIS: Senate Bill 85 would allow hospital service corporations authorized under the Article to offer vision service plans. A vision service plan would be defined as any contract for the provision of, or the payment of fees for, vision care or vision services, including any other professional services permitted to be provided by a duly licensed optometrist or ophthalmologist.

Senate Bill 85 would update the Article by creating a new definition section and would define any nonprofit corporation that offers any dental, health care, medical, or vision service plan, as a hospital service corporation.

The bill would also make technical and conforming changes as necessary to accommodate the addition of vision service plans to the list of currently available plans that may be offered by authorized hospital service corporations under the Article. It would also make similar technical and conforming changes to Article 66 of Chapter 58 (Hospital, Medical and Dental Hospital Service Corporation Readable Insurance Certificates Act.).

EFFECTIVE DATE: This act is effective when it becomes law, and applies to contracts issued, amended, or renewed on or after October 1, 2021.

***Jeremy Ray of the Legislative Analysis Division substantially contributed to this summary.

Jeffrey Hudson Director



Legislative Analysis Division 919-733-2578