



SENATE BILL 85: Allow Vision Service Plans.

2021-2022 General Assembly

Committee:		Date:	January 31, 2022
Introduced by:		Prepared by:	Jason Moran-Bates Staff Attorney
Analysis of:	S.L. 2021-169		

OVERVIEW: *S.L. 2021-169 allows hospital service corporations authorized under Article 65 of Chapter 58 (Article) to offer vision service plans. The act makes 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 renames "hospital service plan" to "health care service plan."*

This act became effective October 15, 2021, and applies to contracts issued, amended, or renewed on or after November 1, 2021.

CURRENT LAW: Article 65 of Chapter 58 regulates Hospital, Medical, and Dental Service Corporations, which are nonprofit corporations authorized to operate hospital, medical, or dental service plans. A corporation properly organized under the Article can enter into 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: S.L. 2021-169 allows hospital service corporations authorized under the Article to offer vision service plans. A vision service plan is 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.

S.L. 2021-169 updates the Article by creating a new definition section and defines any nonprofit corporation that offers any dental, health care, medical, or vision service plan, as a hospital service corporation.

The act also makes technical and conforming changes as necessary to accommodate the addition of vision service plans to the list of currently available plans that can be offered by authorized hospital service corporations under the Article. It also makes 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 became effective October 15, 2021, and applies to contracts issued, amended, or renewed on or after November 1, 2021.

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

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