

Vision Benefit Plan Act

The Vision Benefit Plan Act will strengthen doctors of optometry work with vision plans that are administered by Vision Benefit Managers (VBM). A VBM administers vision insurance plans for employers managing networks of optometrists, processing claims, and providing access to discounted eye exams, glasses, and contacts for patients.

Nebraskans will have necessary access to eyecare, especially those in our rural communities.

- **Patients will have freedom of choice** in which provider they choose to receive eyecare services. It will keep dollars in Nebraska communities – supporting local doctors, staff, and small businesses – instead of being increasingly directed towards out-of-state, vertically integrated vision corporations.
- **Quality of care would be improved**, through the protection of doctor prescriptions, and recommendations on products that are personalized for each individual patient based on their specific needs. It would give Nebraska’s doctors autonomy by banning requirements to use insurer-owned manufacturing plants, frame lines, or suppliers – allowing doctors to truly put Nebraska’s needs first.
- **Lower cost for patients.** There would be increased transparency from the vision plans. It would also promote market competition. The transparency requirement in LB987 states the vision plans must disclose, in a clear and understandable manner, patient costs, reimbursement rates, chargebacks, copays, etc., so that patients can understand where their money goes. VBMs often steer patients toward high-margin, vertically-integrated retail chains. Two VBMs own 85% of the market. It preserves the patient’s right to see their local independent doctor.

How the Vision Benefit Plan Act Supports Nebraska Doctors of Optometry in Providing Access to Eyecare Services

- VBMs often act as gatekeepers, owning the optical labs, frame manufacturers, retail outlets, and online sellers. This vertical integration creates a financial imbalance where clinical care is severely under-reimbursed, compelling providers to rely on product sales to keep their practices sustainable. It would create a **level playing field** where independent practices will finally get the same cost of good as VBM-owned retail outlets.
- **Establishes reasonable guardrails** so that vision benefit managers operate transparently, fairly and without overriding patient choice for clinical judgment. There is professional autonomy so that clinical decisions remain with licensed doctors.

- **Honest definitions of coverage** requires that if a service or material is labeled as 'covered' in a patient's plan, the VBM must provide a reimbursement to the provider. This prevents VBMs from deceptive labeling where they call a service 'covered' but leave the provider with zero payment.
- **Protection against financial loss** prohibits VBMs from designing reimbursement structures – such as hidden chargebacks or fees – that result in a financial loss for the provider after they have delivered medical care or materials.
- **Restores balance:** allows eyecare providers to focus on delivering care, not on compensating for financial shortfalls imposed by the insurance company.
- **Fair contracting:** VBMs must provide complete, written fee schedules. Contracts must clearly disclose all allowed amounts, reimbursement rates, and patient cost-sharing so that providers aren't blindsided by retroactive fee manipulation. LB987 preserves voluntary participation. Plans can still negotiate. Providers can still decide whether participation makes sense for their practice. It is pro-fair contract.
- **Fair medical standards:** It ties reimbursements to Medicare standards. This ensures doctors of optometry are paid fairly for their professional medical expertise and clinical time, rather than their retail inventory. Doctors of optometry have not had reimbursement adjustments since 1992.

Nebraska's Advantage

- We need to strengthen **patient access** under any willing provider laws. We especially need to ensure that rural doctors can continue to provide eyecare.
- The Vision Benefit Plan Act provides patients with quality care, preserves access to eyecare providers, and restores trust.