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**HOUSE BILL 1770**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Thai, Stonier, Pollet, and Reed

Read first time 01/31/25. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to the administration of vision benefits;  
2 reenacting and amending RCW 48.200.020 and 41.05.017; adding a new  
3 section to chapter 48.200 RCW; adding a new section to chapter 48.43  
4 RCW; creating a new section; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 48.200.020 and 2024 c 242 s 1 are each reenacted and  
7 amended to read as follows:

8 The definitions in this section apply throughout this chapter  
9 unless the context clearly requires otherwise.

10 (1) "Affiliate" or "affiliated employer" means a person who  
11 directly or indirectly through one or more intermediaries, controls  
12 or is controlled by, or is under common control with, another  
13 specified person.

14 (2) "Certification" has the same meaning as in RCW 48.43.005.

15 (3) "Covered person" has the same meaning as in RCW 48.43.005.

16 (4) "Employee benefits programs" means programs under both the  
17 public employees' benefits board established in RCW 41.05.055 and the  
18 school employees' benefits board established in RCW 41.05.740.

19 (5)(a) "Health care benefit manager" means a person or entity  
20 providing services to, or acting on behalf of, a health carrier or  
21 employee benefits programs, that directly or indirectly impacts the

1 determination or utilization of benefits for, or patient access to,  
2 health care services, drugs, and supplies including, but not limited  
3 to:

- 4 (i) Prior authorization or preauthorization of benefits or care;
- 5 (ii) Certification of benefits or care;
- 6 (iii) Medical necessity determinations;
- 7 (iv) Utilization review;
- 8 (v) Benefit determinations;
- 9 (vi) Claims processing and repricing for services and procedures;
- 10 (vii) Outcome management;
- 11 (viii) Payment or authorization of payment to providers and  
12 facilities for services or procedures;
- 13 (ix) Dispute resolution, grievances, or appeals relating to  
14 determinations or utilization of benefits;
- 15 (x) Provider network management; or
- 16 (xi) Disease management.

17 (b) "Health care benefit manager" includes, but is not limited  
18 to, health care benefit managers that specialize in specific types of  
19 health care benefit management such as pharmacy benefit managers,  
20 radiology benefit managers, laboratory benefit managers, vision  
21 benefit managers, and mental health benefit managers.

22 (c) "Health care benefit manager" does not include:

- 23 (i) Health care service contractors as defined in RCW 48.44.010;
- 24 (ii) Health maintenance organizations as defined in RCW  
25 48.46.020;
- 26 (iii) Issuers as defined in RCW 48.01.053;
- 27 (iv) The public employees' benefits board established in RCW  
28 41.05.055;
- 29 (v) The school employees' benefits board established in RCW  
30 41.05.740;
- 31 (vi) Discount plans as defined in RCW 48.155.010;
- 32 (vii) Direct patient-provider primary care practices as defined  
33 in RCW 48.150.010;
- 34 (viii) An employer administering its employee benefit plan or the  
35 employee benefit plan of an affiliated employer under common  
36 management and control;
- 37 (ix) A union, either on its own or jointly with an employer,  
38 administering a benefit plan on behalf of its members;
- 39 (x) An insurance producer selling insurance or engaged in related  
40 activities within the scope of the producer's license;

1 (xi) A creditor acting on behalf of its debtors with respect to  
2 insurance, covering a debt between the creditor and its debtors;

3 (xii) A behavioral health administrative services organization or  
4 other county-managed entity that has been approved by the state  
5 health care authority to perform delegated functions on behalf of a  
6 carrier;

7 (xiii) A hospital licensed under chapter 70.41 RCW or ambulatory  
8 surgical facility licensed under chapter 70.230 RCW, to the extent  
9 that it performs provider credentialing or recredentialing, but no  
10 other functions of a health care benefit manager as described in (a)  
11 of this subsection (~~((5)(a) of this section [(a) of this~~  
12 ~~subsection])~~);

13 (xiv) The Robert Bree collaborative under chapter 70.250 RCW;

14 (xv) The health technology clinical committee established under  
15 RCW 70.14.090;

16 (xvi) The prescription drug purchasing consortium established  
17 under RCW 70.14.060; or

18 (xvii) Any other entity that performs provider credentialing or  
19 recredentialing, but no other functions of a health care benefit  
20 manager as described in (a) of this subsection (~~((5)(a) of this~~  
21 ~~section [(a) of this subsection])~~).

22 (6) "Health care provider" or "provider" has the same meaning as  
23 in RCW 48.43.005.

24 (7) "Health care service" has the same meaning as in RCW  
25 48.43.005.

26 (8) "Health carrier" or "carrier" has the same meaning as in RCW  
27 48.43.005.

28 (9) "Laboratory benefit manager" means a person or entity  
29 providing service to, or acting on behalf of, a health carrier,  
30 employee benefits programs, or another entity under contract with a  
31 carrier, that directly or indirectly impacts the determination or  
32 utilization of benefits for, or patient access to, health care  
33 services, drugs, and supplies relating to the use of clinical  
34 laboratory services and includes any requirement for a health care  
35 provider to submit a notification of an order for such services.

36 (10) "Mail order pharmacy" means a pharmacy that primarily  
37 dispenses prescription drugs to patients through the mail or common  
38 carrier.

39 (11) "Mental health benefit manager" means a person or entity  
40 providing service to, or acting on behalf of, a health carrier,

1 employee benefits programs, or another entity under contract with a  
2 carrier, that directly or indirectly impacts the determination of  
3 utilization of benefits for, or patient access to, health care  
4 services, drugs, and supplies relating to the use of mental health  
5 services and includes any requirement for a health care provider to  
6 submit a notification of an order for such services.

7 (12) "Network" means the group of participating providers,  
8 pharmacies, and suppliers providing health care services, drugs, or  
9 supplies to beneficiaries of a particular carrier or plan.

10 (13) "Person" includes, as applicable, natural persons, licensed  
11 health care providers, carriers, corporations, companies, trusts,  
12 unincorporated associations, and partnerships.

13 (14)(a) "Pharmacy benefit manager" means a person that contracts  
14 with pharmacies on behalf of a health carrier, employee benefits  
15 program, or medicaid managed care program to:

16 (i) Process claims for prescription drugs or medical supplies or  
17 provide retail network management for pharmacies or pharmacists;

18 (ii) Pay pharmacies or pharmacists for prescription drugs or  
19 medical supplies;

20 (iii) Negotiate rebates, discounts, or other price concessions  
21 with manufacturers for drugs paid for or procured as described in  
22 this subsection;

23 (iv) Establish or manage pharmacy networks; or

24 (v) Make credentialing determinations.

25 (b) "Pharmacy benefit manager" does not include a health care  
26 service contractor as defined in RCW 48.44.010.

27 (15) "Pharmacy network" means the pharmacies located in the state  
28 or licensed under chapter 18.64 RCW and contracted by a pharmacy  
29 benefit manager to dispense prescription drugs to covered persons.

30 (16)(a) "Radiology benefit manager" means any person or entity  
31 providing service to, or acting on behalf of, a health carrier,  
32 employee benefits programs, or another entity under contract with a  
33 carrier, that directly or indirectly impacts the determination or  
34 utilization of benefits for, or patient access to, the services of a  
35 licensed radiologist or to advanced diagnostic imaging services  
36 including, but not limited to:

37 (i) Processing claims for services and procedures performed by a  
38 licensed radiologist or advanced diagnostic imaging service provider;  
39 or

1 (ii) Providing payment or payment authorization to radiology  
2 clinics, radiologists, or advanced diagnostic imaging service  
3 providers for services or procedures.

4 (b) "Radiology benefit manager" does not include a health care  
5 service contractor as defined in RCW 48.44.010, a health maintenance  
6 organization as defined in RCW 48.46.020, or an issuer as defined in  
7 RCW 48.01.053.

8 (17) "Utilization review" has the same meaning as in RCW  
9 48.43.005.

10 (18) "Vision benefit manager" means a person or entity providing  
11 service to, or acting on behalf of, a health carrier, employee  
12 benefits programs, or another entity under contract with a carrier,  
13 that directly or indirectly impacts the determination of utilization  
14 of benefits for, or patient access to, health care services,  
15 materials, drugs, and supplies relating to the use of vision services  
16 or vision materials.

17 (19) "Vision materials" means ophthalmic devices including, but  
18 not limited to, devices containing lenses, artificial intraocular  
19 lenses, ophthalmic frames and other lens mounting apparatuses,  
20 prisms, lens treatments and coatings, contact lenses, or prosthetic  
21 devices to correct, relieve, or treat defects or abnormal conditions  
22 of the human eye or its adnexa.

23 NEW SECTION. Sec. 2. A new section is added to chapter 48.200  
24 RCW to read as follows:

25 (1) A vision benefit manager may not:

26 (a) Provide different reimbursement amounts for covered vision  
27 services or covered vision materials among tiers of contracting  
28 providers of the same licensed profession in the same health plan;

29 (b) Reimburse a provider licensed under chapter 18.53 RCW, acting  
30 within the provider's scope of practice, less than it reimburses  
31 ophthalmologists licensed under chapter 18.57 or 18.71 RCW for the  
32 same covered vision services or covered vision materials;

33 (c) Require a contracting provider to purchase vision services or  
34 vision materials from suppliers, including optical laboratories, in  
35 which the vision benefit manager has a financial interest;

36 (d) Require a contracting provider to provide vision services or  
37 vision materials at a fee limited or set by the vision benefit  
38 manager, unless the vision materials or services are covered vision  
39 services or covered vision materials;

1 (e) Require a provider of covered vision services or covered  
2 vision materials, as a condition of becoming a participating provider  
3 for a specific health plan, to:

4 (i) Join a network of providers maintained by the vision benefit  
5 manager in lieu of contracting directly with the health carrier;

6 (ii) Participate with any other health plan, including another  
7 health plan managed by, or affiliated with, the vision benefit  
8 manager; or

9 (iii) Participate with any discount plan regulated under chapter  
10 48.155 RCW;

11 (f) Require an enrollee's cost sharing, including copayments, for  
12 covered vision services or vision materials to exceed 50 percent of  
13 the amount the provider is reimbursed for those services or  
14 materials, unless a higher amount is necessary to preserve the  
15 enrollee's ability to claim tax exempt contributions from the  
16 enrollee's health savings account under internal revenue service laws  
17 and regulations; or

18 (g) Impose different credentialing standards for providers  
19 licensed under chapter 18.53 RCW than it imposes for ophthalmologists  
20 licensed under chapter 18.57 or 18.71 RCW.

21 (2) For purposes of this section, "health plan" includes:

22 (a) A health plan as defined in chapter 48.43 RCW;

23 (b) A health plan issued by an employee benefits program; and

24 (c) Vision-only coverage issued by a limited health care service  
25 contractor under chapter 48.44 RCW or a health carrier as defined in  
26 chapter 48.43 RCW.

27 (3) This section applies to contracts entered into or renewed on  
28 or after the effective date of this section.

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.43  
30 RCW to read as follows:

31 (1) A health carrier offering vision coverage or a limited health  
32 care service contractor offering vision-only coverage may not:

33 (a) Provide different reimbursement amounts for covered vision  
34 services or covered vision materials among tiers of contracting  
35 providers of the same licensed profession in the same health plan;

36 (b) Reimburse a provider licensed under chapter 18.53 RCW, acting  
37 within the provider's scope of practice, less than it reimburses  
38 ophthalmologists licensed under chapter 18.57 or 18.71 RCW for the  
39 same covered vision services or covered vision materials;

1 (c) Require a contracting provider to purchase vision services or  
2 vision materials from suppliers, including optical laboratories, in  
3 which the health carrier, limited health care service contractor, or  
4 affiliated vision benefit manager has a financial interest;

5 (d) Require a contracting provider to provide vision services or  
6 materials at a fee limited or set by the health carrier, limited  
7 health care service contractor, or affiliated vision benefit manager,  
8 unless the vision services or vision materials are covered vision  
9 services or covered vision materials;

10 (e) Require a provider of covered vision services or covered  
11 vision materials, as a condition of becoming a participating provider  
12 for a specific health plan, to:

13 (i) Join a network of providers maintained by a vision benefit  
14 manager in lieu of contracting directly with the health carrier;

15 (ii) Participate with any other health plan, including another  
16 health plan managed by, or affiliated with, an affiliated vision  
17 benefit manager; or

18 (iii) Participate with any discount plan regulated under chapter  
19 48.155 RCW;

20 (f) Require an enrollee's cost sharing, including copayments, for  
21 covered vision services or vision materials to exceed 50 percent of  
22 the amount the provider is reimbursed for those services or  
23 materials, unless a higher amount is necessary to preserve the  
24 enrollee's ability to claim tax exempt contributions from the  
25 enrollee's health savings account under internal revenue service laws  
26 and regulations; or

27 (g) Impose different credentialing standards for providers  
28 licensed under chapter 18.53 RCW than it imposes for ophthalmologists  
29 licensed under chapter 18.57 or 18.71 RCW.

30 (2) For purposes of this section:

31 (a) "Health plan" means:

32 (i) A health plan as defined in RCW 48.43.005; and

33 (ii) Vision-only coverage issued by a limited health care service  
34 contractor under chapter 48.44 RCW or a health carrier.

35 (b) "Limited health care service contractor" has the same meaning  
36 as in RCW 48.44.035.

37 (c) "Vision benefit manager" has the same meaning as in RCW  
38 48.200.020.

39 (d) "Vision materials" means ophthalmic devices including, but  
40 not limited to, devices containing lenses, artificial intraocular

1 lenses, ophthalmic frames and other lens mounting apparatuses,  
2 prisms, lens treatments and coatings, contact lenses, or prosthetic  
3 devices to correct, relieve, or treat defects or abnormal conditions  
4 of the human eye or its adnexa.

5 (3) This section applies to contracts entered into or renewed on  
6 or after the effective date of this section.

7 **Sec. 4.** RCW 41.05.017 and 2024 c 251 s 5 and 2024 c 242 s 10 are  
8 each reenacted and amended to read as follows:

9 Each health plan that provides medical insurance offered under  
10 this chapter, including plans created by insuring entities, plans not  
11 subject to the provisions of Title 48 RCW, and plans created under  
12 RCW 41.05.140, are subject to the provisions of RCW 48.43.500,  
13 70.02.045, 48.43.505 through 48.43.535, 48.43.537, 48.43.545,  
14 48.43.550, 70.02.110, 70.02.900, 48.43.190, 48.43.083, 48.43.0128,  
15 48.43.780, 48.43.435, 48.43.815, 48.200.020 through 48.200.280,  
16 48.200.300 through 48.200.320, 48.43.440, section 3 of this act, and  
17 chapter 48.49 RCW.

18 NEW SECTION. **Sec. 5.** The insurance commissioner may adopt any  
19 rules necessary to implement this act.

20 NEW SECTION. **Sec. 6.** Sections 1 through 4 of this act take  
21 effect January 1, 2026.

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