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California State Senate

SENATOR
DARRELL STEINBERG
PRESIDENT PRO TEMPORE
SIXTH SENATE DISTRICT

STANDING COMMITTEES:
SENATE RULES
CHAIR
APPROPRIATIONS
PUBLIC SAFETY



September 17, 2012

California Health Benefits Exchange
560 J Street, Suite 290
Sacramento, CA 95814

Ms. Diana S. Dooley, Chair
Dr. Robert Ross, Board Member
Mr. Paul Fearer, Board Member
Ms. Kimberly Belshe, Board Member
Ms. Susan Kennedy, Board Member
Peter V. Lee, Executive Director

RE: Vision Coverage by Stand-Alone Vision Plans in California

Dear Board Members and Mr. Lee:

I write to urge strongly that the Board include stand-alone vision plans, both pediatric vision and supplemental vision coverage, within the Exchange commencing January 1, 2014. By not including stand-alone vision plans in the individual market, the Exchange is disadvantaging individuals who seek and need this medical coverage.

It is my hope that this proposal will be reconsidered at the Board's meeting on September 18, 2012. I urge the Board's support for inclusion of stand-alone vision plans across the board.

Essential health benefits under the federal Affordable Care Act are to reflect both the scope and services offered by a typical employer plan in each state. Stand-alone vision coverage is not only typical, but is the predominant method in California in the employer context. The inclusion of stand-alone vision plans will provide continuity of coverage and reduce consumer confusion. Further, it will help avoid market segmentation and coverage gaps.

The decision by the Board to not presently include stand-alone vision plans in the individual market also adversely affects multiple stand-alone vision plans in California. Vision Service Plan (VSP) in my district of Sacramento County is one of these plans. VSP is a dominant provider of vision care covering about 14 million Californians in employer-based coverage, including all geographic areas of the State. VSP works through more than 5,000 private practice California eye doctors in more than 6,400 locations statewide. As a California-based not-for-profit managed care corporation and a Knox-Keene licensee, it should be regarded as a model

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profile of the type of plan to be included in the Exchange offerings. Aside from being a home-grown California company, VSP is a major employer of over 2,000 Sacramentans in a district struggling mightily to recover from this prolonged recession.

It makes both good policy sense and business sense to include stand-alone vision plans in the Exchange to ensure appropriate access to medical coverage, offer consumer choice, and to utilize California-based expertise.

I strongly believe the Exchange needs to include stand-alone vision plans as a coverage option. At least two states—Maryland and Massachusetts—have already selected this option. California needs to continue as a leader with implementation of health care reform, and I look forward to continued discussions to make this a reality. Please call me with any questions.

Sincerely,

A handwritten signature in black ink that reads "Darrell Steinberg". The signature is written in a cursive, flowing style with a large, sweeping flourish at the end.

DARRELL STEINBERG

President pro Tempore

DS:dvm/kd