



NATIONAL ASSOCIATION
OF VISION CARE PLANS

February 21, 2014

Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
Department of Labor
200 Constitution Ave NW
Washington, DC 20210

RE: Excepted Benefits

The National Association of Specialty Health Organizations (NASHO) is a membership organization representing health plans and provider networks that facilitate and support the delivery of specialized healthcare services. NASHO member organizations provide services to 80 percent of all Americans, over 250 million people. The National Association of Vision Care Plans (NAVCP) is the membership organization for the managed vision care industry serving as the voice for the vision benefits industry. The 19 primary member companies manage extensive networks of vision care providers and provide vision benefit coverage to 38 percent of all Americans, over 119 million people. NASHO and NAVCP support the administration's effort to amend the definition of excepted benefits established in the Health Insurance Portability and Accountability Act (HIPAA).

As stated in the proposed regulations, vision and dental benefits are excepted if they are limited in scope and are either: 1. Provided under a separate policy, certificate, or contract of insurance; or 2. Are otherwise not an integral part of a group plan. Current HIPAA regulations provide that benefits are not an integral part of a group health plan if participants have the right to elect not to receive coverage for the benefits, and if participants elect to receive coverage for such benefits, they pay an additional premium or contribution for it.

The proposed regulation removes the requirement for the additional premium or contribution for the dental or vision benefit in order for these benefits to be considered "excepted". We support this proposal.

Our stand-alone dental and vision plan members may underwrite policies of insurance for employer clients and often also contract with employers and unions for provider networks, claims processing, and plan administration for those employers and unions that self-insure their separate dental and vision coverage. The proposed regulation removes one part of the second test, leaving only the requirement for an employee's ability to opt out of coverage as desired.

Currently, there is uncertainty about whether the dental and vision benefit programs that are separately administered for them are "excepted benefits." The market reforms of the

Affordable Care Act have increased the need for clarification as the plans try to ensure they comply with the requirements in the law.

NASHO and NAVCP believe eliminating the requirement under the HIPAA regulations that participants pay an additional premium or contribution for limited-scope vision or dental benefits to qualify as an excepted benefit will clear up confusion around this issue. The removal of this requirement will level the playing field between fully-insured and self-insured plans.

Sincerely,

A handwritten signature in black ink, appearing to read "Julian Roberts". The signature is fluid and cursive, with a large initial "J" and "R".

Julian Roberts
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