This discussion group focuses exclusively on issues relating to optical shops. The list is an ASOA member benefit. Sign up today by visiting http://community.asoa.org/ and clicking on “My Subscriptions” to log in with your user name and password. NOTE: You may sign up your optical shop employees—without having them join ASOA—for a low subscription rate of $5 per month. Questions on how to use the service? Email Susan Younker (Susan@aso.org).

Q: Our optical boutique does not participate with any vision plans. We always inform our patients of this; they pay in full and we provide them with paperwork to file with any insurance coverage that they might have so they can get reimbursed. We were just contacted by a managed care company (with which our physicians have signed a contract) stating that we have to make the adjustment on a patient’s glasses because they have V2020 included in their fee schedule. The problem is this: We have a high-end optical and the reimbursement of $89 doesn’t cover the cost of our glasses and lenses, so we’ve lost money. The optical is not a separate entity and I’m afraid that this is going to start happening often. I’m going to start sending our optical codes to all our managed care companies to see if they include them in the medical coverage. My choices would be to terminate the ones that have them included or, if the majority of them include the vision codes, I may have to consider making optical a separate entity.

Answers from your peers
• Our medical practice and optical business are owned by the same physician and are at the same physical location. We opened the optical shop two years ago under a different tax ID from the practice to avoid the very thing you are experiencing now. We haven’t had any problems with managed care, except occasionally getting paid in error. We return the check to the insurance company so they can pay the appropriate person; we do not give it to the customer. We did run into a problem, though, with the sales tax division of our state. We of course needed to get a sales tax number for optical but did not need one for the medical practice. This triggered an audit of the medical practice. They wanted proof we paid sales tax for everything we bought over a seven-year period. As you can imagine, it was a horrible waste of time and energy, and it was expensive because we needed our accountant to deal with them. We did have to pay sales tax for any used equipment we bought that hadn’t been taxed by the seller. I now have to do sales tax reporting on the practice, even with no taxable sales.

• We had the exact same problem. I called the insurance vendor and found out that we could tell the patient that we had no eyeglasses that qualified for that vendor’s benefits for post-cataract glasses and direct them to the optical store chains. The vendor does offer to pay $200 toward eyeglasses (not post-cataract) every two years. We can have patients pay the full bill and file for the $200. If they pay us, we reimburse the money. An ABN doesn’t do any good because it was covered and paid. I have the person scheduling the surgeries let me know of all Medicare Advantages plans so I can call them and find out how their policy works.

Q: Do you have an in-house laboratory? If not, why not? If so, why did you choose to install one? Please share some thoughts about your lab.

Answers from your peers
• No. The answer is simple: liability. If we assume any role in lens finishing, we assume product liability. Not what we want to do.
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• We’ve had an in-house lab for about eight years. Doctors wanted to compete with the big chains. We offer same-day service on most single-vision Rxs. Our warranty is better than the chain stores. There is certainly less wait time for the patient. It does not come without added expenses: two lab technicians, equipment (very expensive), and related maintenance, plus additional rent for space, etc.

• We do not have an in-house lab. We simply do not have the available space. As it is, there is very limited counter space for minor repairs and checking in jobs, and even more limited desk space for writing up jobs. The office—including the optical department—moved here eight years ago. In the six years that I have been here, we have outgrown the space but are making changes (such as no longer accepting adult HMOs) to do what we can while we are still in our lease. 

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