

March 22, 2018

TO: RI Senate Committee on Health & Human Services
FROM: RI Center for Freedom & Prosperity, Mike Stenhouse
SUBJECT: Written Testimony re. Bill to Restrict Ocular Telemedicine (S2404)

Chairman Miller and Committee Members: As CEO for the RI Center for Freedom & Prosperity, a non-partisan research and advocacy organization, and with a degree in Economics from Harvard University, I would like to provide some background re. S2404, which is before your committee today. As a 501-C-3 organization, our Center is not allowed to advise you to support or oppose any piece of legislation. Please accept as written testimony an opinion piece I co-authored on this issue that was published in the Providence Journal last year:

Rhode Island Should Encourage Eye Care Innovation, Not Protectionism

Every Rhode Island family should have multiple choices to select the affordable, high-quality health care that's best for them. And as new federal healthcare laws are debated in Washington, D.C., Rhode Island needs to have its own debate about insurance mandates and other protectionist policies.

In the case of eye care, Rhode Islanders often pay above market rates for glasses and contact lenses. However, new technology has the power to change this inefficiency by lowering prices and increasing convenience for consumers that is, unless new protectionist legislation is passed into law.

Optometrists are unique in that they are some of the only medical professionals that sell what they prescribe. Oftentimes, they conveniently forget to provide copies of vision prescriptions to patients, or they advise them to purchase lenses directly from eye care offices at inflated prices. The prescriptions that optometrists write are often brand specific - usually for Johnson & Johnson's Acuvue lenses. The reason is simple: Johnson & Johnson produces over 40 percent of the world's contacts, and as a way of furthering a monopoly, they give eye care professionals kickbacks on every sale made within their offices.

Federal legislation has attempted to bandage the problem by making it illegal for eye doctors to hold back prescriptions, but, as we all know, there is only so much that government enforcement can do to stop cronyism.

Fortunately, the free market has recently developed a new solution whereby optometrists' office visits can often be bypassed. New technology accurately allows consumers to measure their prescription strength from the comfort of their own homes, a process known as ocular telemedicine, via their smartphones or computers, whereby they can take an eye-test approved by a board-certified ophthalmologist.

Patients can then use that e-prescription to purchase lenses or glasses wherever they choose, typically at much lower prices. With this technology, healthy adults only need to visit a brick-and-mortar eye doctor once every two years for a full eye health exam (as recommended by the American Optometric Association) instead of every time a lens refill is needed, or for specific eye problems.

Although this innovation is saving consumers time and money, it is causing quite an uproar in the optometry industry. Like the hair-styling and cosmetology protectionists who are trying to block natural hair-braiders like Jocelyn DeCouto from practicing their harmless trade, the vision industry is hoping to see through a usage ban on this new technology.

Washington lobbying groups like the American Optometric Association (AOA) are pressuring state legislatures to introduce bills that will ban most uses for ocular telemedicine. On the national level alone, this group is spending nearly \$2 million a year in lobbying.

In banning a technology that can provide affordable, high quality eye care for Rhode Islanders particularly for poor and rural residents - these two bills are an assault on the free market, innovation, and common sense.

Thankfully, this type of legislation has fared poorly in other states. In the past year, similar protectionist bills that kill competition and cost eye care customers more time and money have been shot down across America; New Mexico Governor Susana Martinez issued a veto as did then-Governor of South Carolina Nikki Haley, who stated the bill, "uses health practice mandates to stifle competition for the benefit of a single industry **putting us on the leading edge of protectionism, not innovation.**"

Rhode Island lawmakers need to see through the optometry cartel's attempts to kill innovation and competition. At-home vision testing technology can empower Rhode Island families and individuals to get the prescription vision-aids they need at lower cost and with more ease than ever before.

Thank you. If I can be of service, please contact me at mstenhouse@RIFreedom.org or 401.429.6115.