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## SENATE COMMITTEE ON PUBLIC SAFETY

Senator Steven Bradford, Chair  
2021 - 2022 Regular

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**Bill No:** SB 1089                      **Hearing Date:** April 26, 2022  
**Author:** Wilk  
**Version:** April 4, 2022  
**Urgency:** No                                      **Fiscal:** Yes  
**Consultant:** SJ

**Subject:** *Medi-Cal: eyeglasses: Prison Industry Authority*

### HISTORY

**Source:** California Optometric Association

**Prior Legislation:** AB 579 (Flora), Ch. 520, Stats. 2021

**Support:** California Academy of Eye Physicians and Surgeons; Children Now; Hero Practice Services; Vision to Learn; 2 individuals

**Opposition:** None known

### PURPOSE

*The purpose of this bill is to authorize a provider, for purposes of Medi-Cal reimbursement for covered optometric services, to obtain eyeglasses from a private entity, as an alternative to a purchase of eyeglasses from the California Prison Industry Authority.*

*Existing law* establishes the Medi-Cal program, administered by the Department of Health Care Services (DHCS), under which low-income individuals are eligible for medical coverage. (Welf. & Inst. Code, §14000 et seq.)

*Existing law* includes eyeglasses as a covered benefit under the Medi-Cal program. (Welf. & Inst. Code, §§14131.10, subd. (g), §14132.)

*Existing law* establishes CalPIA within the California Department of Corrections and Rehabilitation (CDCR). (Pen. Code, § 2800 et seq.)

*Existing law* authorizes CalPIA to operate industrial, agricultural, and service enterprises employing incarcerated individuals in CDCR facilities to provide products and services needed by the state or other public entity or public use, as specified. Provides that one of the purposes of CalPIA is to create and maintain working conditions within the enterprises as much like those which prevail in private industry as possible, to assure incarcerated individuals employed by CalPIA have the opportunity to work productively, to earn funds, and to acquire or improve effective work habits and occupational skills. (Pen. Code, § 2801.)

*Existing law* requires that all things authorized to be produced by CALPIA must be purchased by the state at the prices fixed by CALPIA. (Pen. Code, § 2807.)

*This bill* authorizes a provider participating in the Medi-Cal program to obtain eyeglasses from CalPIA or private entities, based on the provider's needs and assessment of quality and value.

*This bill* provides that for purposes of Medi-Cal reimbursement for covered optometric services, a provider may obtain eyeglasses from a private entity, as an alternative to a purchase of eyeglasses from CalPIA. Provides that this only be implemented to the extent that federal financial participation is available.

## COMMENTS

### 1. Need For This Bill

According to the author:

SB 1089 is a straightforward proposal that will provide better access to better vision, by allowing optometrists to select where they obtain eyeglasses from, in order to best meet their patients' needs. Our state's Medi-Cal beneficiaries should have access to the best products available, and unfortunately, under current law, optometrists are limited in which eyeglasses they can provide to just those produced through the Prison Industry Authority. This system is fraught with problems: Medi-Cal beneficiaries reliant on these products face lengthy delays in receiving their glasses, receive incorrect products, and often are forced to use products of sub-par quality. This bill addresses this issue, ensuring that Californians have access to timely care and quality eyeglasses.

California Prison Industry Authority (PIA) operates two optical laboratories in California prisons that provide prescription eyewear to Medi-Cal beneficiaries. Beneficiaries must get their eyeglasses made by the PIA or go without eyeglasses. The system is plagued with problems, as the eyeglasses are often late, incorrect, or of poor quality. The pandemic has made a bad situation much worse. Some patients have had to wait for more than four months for their eyeglasses, which is unacceptable. The Department of Health Care Services claims that the backlog resulting from prison closures have been cleared up, but systemic problems with the PIA system remain. Children who are Medi-Cal beneficiaries deserve timely, quality eyeglasses that are consistent with community durability standards. Cheaper materials may cause skin irritation and break much more easily. All children, regardless of income, deserve to have the same quality eyeglasses in a reasonable amount of time. PIA delays over the past year have resulted in children that are visually handicapped in their everyday classroom, recreational and other activities. Further, there is evidence that the PIA glasses mandate shrinks Medi-Cal provider networks. When coverage for adult eyeglasses was reinstated in 2021, two Medi-Cal managed care plans were forced to use the PIA labs. Many providers in San Mateo, Santa Barbara and San Louis Obispo threatened to drop Medi-Cal services if they are forced to send eyeglasses to the PIA for fabrication. The delays and extra hassle are unsustainable for these individuals given the very low reimbursement rates under Medi-Cal. This system greatly reduces the access to local care and timeliness of treatment for impacted communities.

This bill would authorize an optometrist participating in the Medi-Cal program to obtain eyeglasses from California Prison Industry Authority (PIA) or private entities, based on patient's needs and assessment of quality and value.

## **2. Medi-Cal Coverage of Eyeglasses**

Optometric services and eyeglasses for children are a mandatory benefit of the Medicaid program that participating states must provide. Optometric services and eyeglasses for adults are an optional state benefit. In 2009, both optometric services and eyeglasses for adults were cut from California's Medicaid program, Medi-Cal. In 2017, optometric services and eyeglasses were scheduled to be reinstated as a covered benefit in 2020, subject to an annual appropriation. For both adults and children, routine eye exam and eyeglasses are covered every 24 months. Eyeglasses require prior authorization from DHCS, though the treatment authorization request process is deferred for beneficiaries enrolled in Medi-Cal managed care plans.

Multiple studies identify a link between lack of access to vision screening and eyeglasses and academic performance in children. Research indicates that more than 20% of all school-aged children in the United States have vision problems, and low-income children and children of color are disproportionately likely to have unmet vision care needs. A 2015 UCLA study of low-income Black and Latino children who received free screening and eyeglasses through the Vision to Learn program found that prior to receiving eyeglasses their math scores were declining, yet after receiving eyeglasses, both their math and reading scores improved. A 2021 Johns Hopkins study on a similar program in Baltimore found significant increases in reading and math scores. Outside of school, access to eyeglasses can impact an adult's ability to work or drive.

## **3. Production of Medi-Cal Eyeglasses by CalPIA**

CalPIA is a self-supporting state entity that provides jobs to nearly 7,000 incarcerated individuals within CDCR institutions. (<https://www.calpia.ca.gov/about/>) CalPIA manages over 100 manufacturing, service, and consumable operations in all of the state's prisons, and all of CalPIA's goods and services are sold to government agencies. In addition to work assignments, CalPIA offers certifications and apprenticeships to incarcerated individuals. Incarcerated individuals can earn up to 12 weeks of Milestone Completion Credits for every Correctional Industry and Career Technical Education (CTE) job assignment. CalPIA reports that during the 2019-2020 fiscal year, there were 2,510 incarcerated individuals registered into the state apprenticeship program with 1,035 incarcerated individuals completing an apprenticeship program.

DHCS has contracted with CalPIA since 1988 to make eyeglasses for Medi-Cal recipients. CalPIA operates optical laboratories located at two of the state's prisons where lenses are made and then fitted into the patients' frames. Providers participating in the Medi-Cal program must order lenses from CalPIA unless the lens required cannot be accommodated by CalPIA.

CalPIA reports that there are currently 295 incarcerated individuals assigned to its Optical program and another 125 will be assigned to the program by July 1, 2022. The CalPIA Optical program partners with the American Board of Opticianry in order to provide certifications to graduates. CalPIA reports that the Optical program has led to the employment of several formerly incarcerated persons in the optical industry although it has not provided the Committee

with any aggregate data regarding the program's employment outcomes over the last several years.

This bill was introduced due to ongoing concerns regarding delays in CalPIA's fulfillment of orders for eyeglasses as well as quality control issues. According to CalPIA, it has a targeted turnaround time of five business days to fulfill orders. CalPIA reports that between January 2011 and February 2020, the monthly average turnaround time was consistently at, or below the five-day target. CalPIA has acknowledged that there were delays in the fulfillment of orders at the onset of the COVID-19 pandemic as well as during times when there were peaks in cases which impacted staffing of the optical labs. Providers contend that the delays in receiving completed eyeglasses occurred even prior to the pandemic and have continued throughout the pandemic. With respect to quality control issues, CalPIA shared with the Committee that the industry "redo" rate for eyeglasses is 1.5% and that since January 2011, CalPIA has consistently stayed below that apart from April 2020. The sponsor of the bill, however, shared with the Committee that its members have had ongoing issues with respect to receiving damaged or defective glasses.

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