

## PECAA Max Eligibility Policy: Independent Private Practice

**Applies To:** All new applicants to PECAA Max

### Purpose & Intent

PECAA Max is a voluntary membership program supporting the unique needs of independent private optometry, ophthalmology, and optician practices. This policy ensures that our services and benefits remain aligned with the values and operational realities of those practices. By maintaining this eligibility standard, we honor the doctors and practices who have been part of PECAA Max since its inception.

### Definition of Independent Private Practice

To be eligible to join PECAA Max, a practice must meet the following criteria:

- **Ownership:** Doctor or optician-owned
  - Refers to practices where the majority ownership and complete control (actual and right thereof) of all aspects of her/his practice, including dispensary, is held by a licensed optometrist, ophthalmologist, or optician. Ownership may be solely or in common ownership with other licensed optometrists, ophthalmologists, or opticians. Ownership by family members of practitioners may be considered if the practitioner maintains operational control.
- **Affiliation:** Not affiliated with retail chains (e.g., Pearle Vision, LensCrafters, Walmart, Costco)
- **Private Equity:** Practices where private equity ownership in the management service entity that owns the practice and/or the practice assets (including dispensary) is below 50% and the practice maintains independent operational control.

### Eligible Affiliated Models

While PECAA Max is designed for independent private practices, certain affiliated or group practice models may qualify if they operate with functional independence comparable to private practice. A practice may be considered eligible even if it participates in an affiliation, franchise, branded group, or management service arrangement ***provided the following criteria are met:***

#### 1) Operational Autonomy Requirements

The practice must maintain:

- Full clinical autonomy over patient care, treatment protocols, and medical decision-making.
- Independent product selection with no mandated frame, lens, or vendor requirements imposed by the franchisor, MSO, management group, or parent organization.
- Control of pricing for professional services and materials.
- Local operational control, including hiring, staffing, scheduling, and day-to-day decision-making.

#### 2) Brand & Marketing Requirements

The affiliated model may provide marketing, branding, or optional shared resources, but the practice must NOT be required to:

- Use a mandated product formulary (e.g., required frame/lens lines).
- Adopt a centralized or uniform pricing model.
- Participate in promotional programs that conflict with PECAA vendor partners.
- Operate under a shared DBA *unless* the DBA does not include mandated operations, pricing, or product-related controls.

### 3) Ownership Requirements

- Majority ownership must remain with a licensed optometrist, ophthalmologist, or optician (or a group thereof).
- Private equity ownership below 50% remains acceptable if the practice retains all operational control, consistent with existing policy.

Eligibility is determined by **self-attestation** during enrollment. PECAA reserves the right to review and verify membership eligibility. Providing false information may result in termination of membership and forfeiture of benefits.

### Ineligible Practices

The following Practices are **not eligible** to join PECAA Max:

- Franchise or group-affiliated practices are ineligible if the franchisor, management group, or brand requires:
  - Mandated frame or lens product lists
  - Centralized or standardized pricing
  - Required inventory purchases from specific vendors
  - Operational control over staffing, scheduling, or revenue management
  - A shared brand identity that dictates operational models inconsistent with independent private practice
    - Retail chain-affiliated locations (e.g., Pearle Vision, LensCrafters, Costco, Walmart) remain ineligible regardless of ownership structure.
- Private equity ownership that exceeds 50% or more equity stake in the management service entity that owns the practice and/or the practice assets (including dispensary), or where the private equity firm exercises operational control.
- Health Service Organizations (HSO)

### Grandfather Clause

Practices that joined PECAA Max while independent but have since changed ownership will **not be removed** from the program. However, they are **not eligible to rejoin** if they leave.

### Review & Appeals

Eligibility is reviewed by the **PECAA Max Onboarding Team**. Practices that believe they were incorrectly deemed ineligible may request a review by emailing [sara.campbell@pecaa.com](mailto:sara.campbell@pecaa.com).

### Transparency

This policy is publicly available at [www.pecaa.com](http://www.pecaa.com) and included on the **PECAA Max Enrollment Form**.

### Compliance Statement:

PECAA Max membership eligibility and benefits are designed to support independent private practices in alignment with our mission. Membership is voluntary and not contingent upon referral activity or exclusive vendor relationships. All financial arrangements and benefits are structured to comply with applicable federal and state laws, including the Anti-Kickback Statute and the Stark Law. Practices are encouraged to consult legal counsel regarding their specific compliance obligations. PECAA reserves the right to modify this Eligibility Policy from time to time in its sole and absolute discretion.