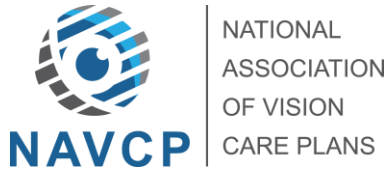


Vision Care Insurance: Growing Access and Lowering Costs for Consumers



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Health Insurance and Long-Term Care Issues
Committee

November 22, 2024



Vision Insurance – A Critical Benefit



Image source: Pixabay, Royalty-Free

2023 Harris Poll of 1,009 Full-Time Employees Ages 25+¹:

- 94% said vision benefits are “valuable” with 60% saying they are “very valuable”
- 82% cited vision insurance as “equally important” as general medical insurance
- **Vision health was ranked “very important” (75%)**
 - On par with dental health (77%), and ahead of annual preventative screenings (69%), mental health(66%), and dermatology (36%)
- 86% cited vision benefits as an “important part of their healthcare budget”

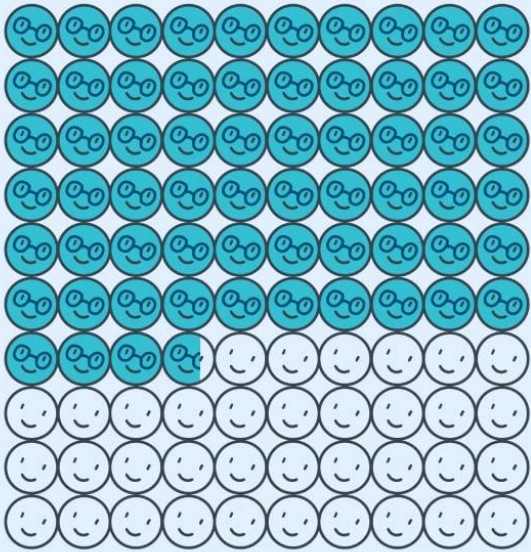
(1): PR Newswire, 3/27/23, survey conducted 2/3/23-2/13/23 by Harris Polls. Details at <https://www.prnewswire.com/news-releases/employees-value-vision-care-as-much-as-dental-but-many-are-leaving-benefits-on-the-table-according-to-new-survey-from-xp-health-conducted-by-the-harris-poll-301781235.html>



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Demand for Vision Care Is Rising

WHAT PERCENT OF AMERICA WEARS GLASSES?



63.7% (166.5 MILLION)
OF ADULT AMERICANS
WEAR GLASSES

2024: Nearly 70% of Americans ages 18 and over need some form of vision correction

2024: Approx. 66% use some form of prescription vision correction – glasses, contacts, or surgery²

Factors contributing to the demand for corrective vision²:

- Aging population
- Increased “screen time”
- Genetic predisposition

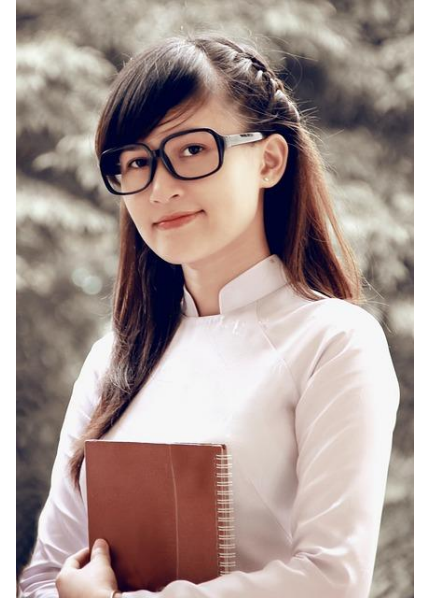


Image sources: Pixabay, Royalty-Free

Image Source and (1): Warby Parker citing the Vision Council at <https://www.warbyparker.com/learn/how-many-people-wear-glasses> (2021)

(2) *Eyewear Industry Statistics*, overnightglasses.com, 4/1/24 at <https://www.overnightglasses.com/eyewear-industry-statistics/>



Regular Eye Exams Aid in Early Detection of Underlying Health Conditions¹

"A close inspection of the lens, retina and optic nerve can reveal a host of systemic disorders...sometimes before other symptoms become evident¹"

High Blood Pressure

Thyroid disorder

Heart Disease

Parkinson's disease

Diabetes

Cancer

Rheumatoid arthritis

Multiple sclerosis (MS)

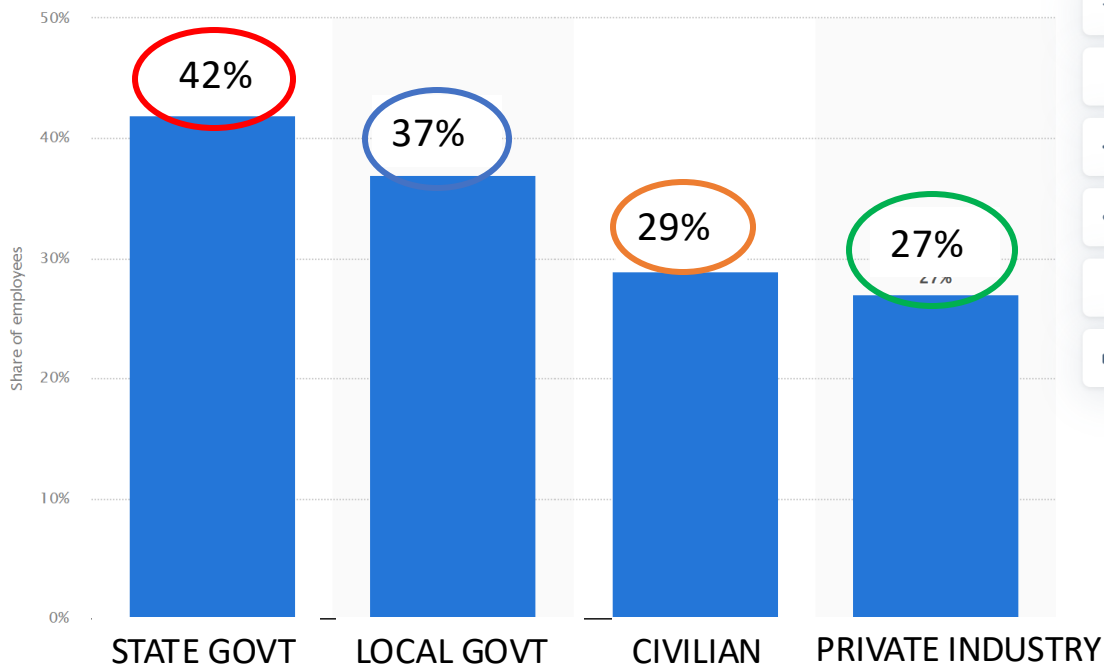
(1) 8 Health Problems That Can Be Detected Through an Eye Exam, AARP, 11-15-2021 at <https://www.aarp.org/health/conditions-treatments/info-2021/eye-exam-health.html>



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Access to Vision Insurance: A Growth Opportunity

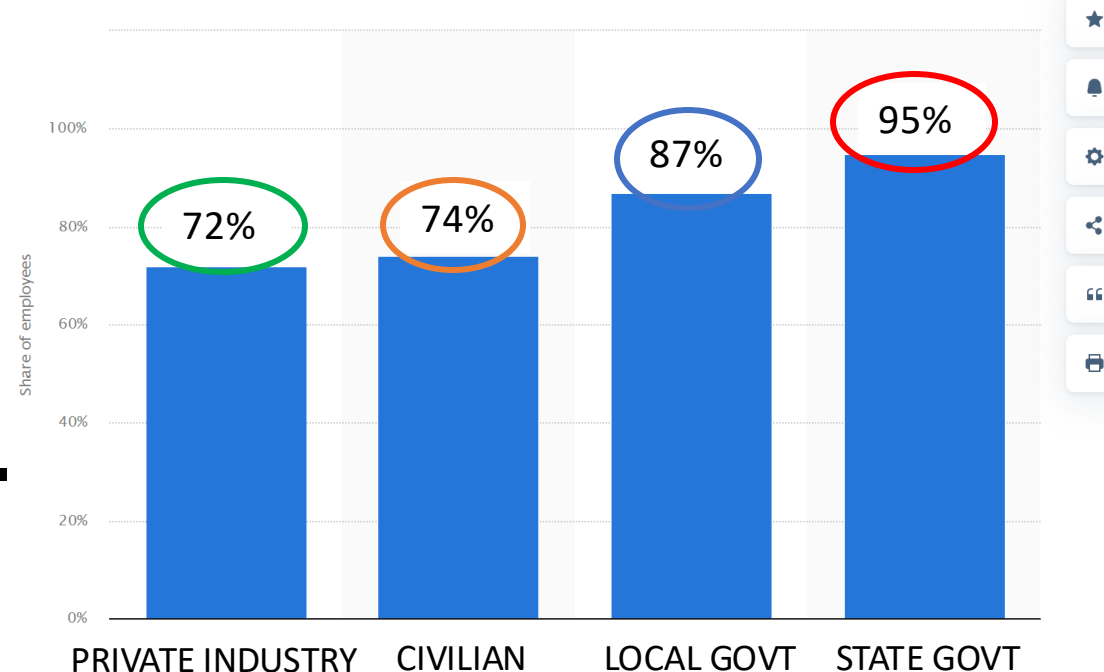
Employer Covered Lives - Vision Care (2023)¹



© Statista 2024

Show source

Employer Covered Lives - General Health Care (2023)²



© Statista 2024

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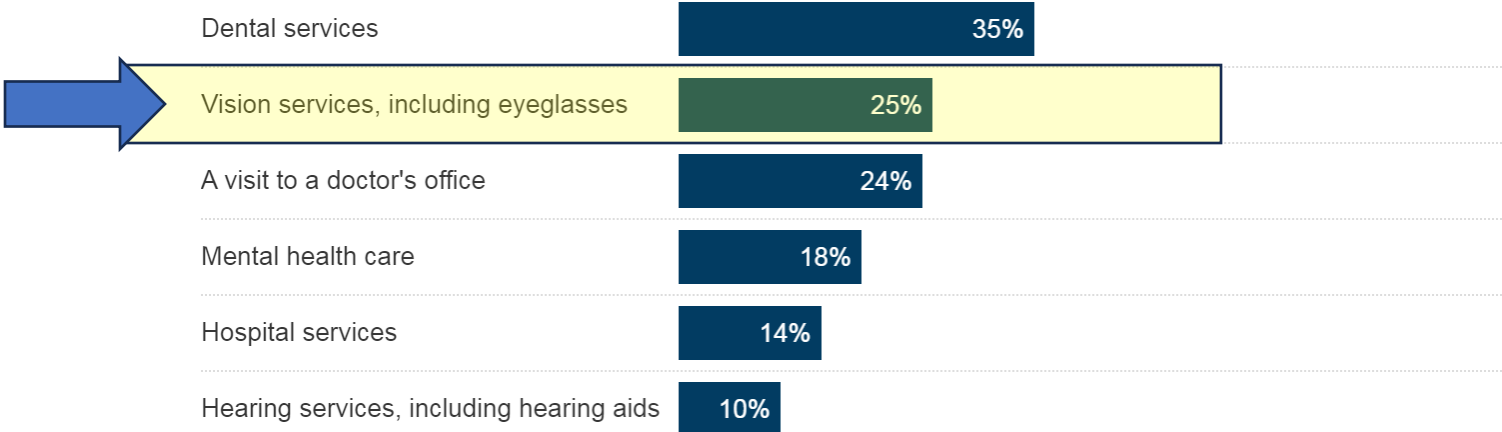
VS.

(1) Share of employees who had access to vision care benefits in the U.S. in 2023, by type of worker, Statista, 9/29/23 at <https://www.statista.com/statistics/1333295/employees-with-access-to-vision-care-benefits-in-the-us-by-type/>

(2) Share of employees who had access to healthcare benefits in the U.S. in 2023, by type of worker, Statista, 9/29/23 at <https://www.statista.com/statistics/1332699/employees-with-access-to-healthcare-benefits-in-the-us-by-workplace/>

Affordability Drives Access to Vision Care

Percent who say they have delayed or gone without each of the following in the past year due to the cost:



NOTE: See topline for full question wording.
SOURCE: KFF Health Tracking Poll (Mar. 15-22, 2022) • PNG

KFF The independent source for health policy research, polling, and news.

Image Source: *Americans' Challenges with Health Care Costs*, Kaiser Family Foundation, 3/1/24 at <https://www.kff.org/health-costs/issue-brief/americans-challenges-with-health-care-costs/>
(2) *2016 NIH Report on Access to Vision Care*, NIH citing National Health and Nutrition Examination Survey at <https://www.ncbi.nlm.nih.gov/books/NBK402365/#>
(3) *Ibid*, NIH, 2016.
(4) *Ibid*. Article specifically noted that rates were even higher among those with incomes of \$35,000 or less.



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Vision Plans Mitigate Out-of-Pocket Costs

- Vision care insurance helps consumers manage their out-of-pocket expenditures
- **Insurance coverage is an independent predictor of vision health¹**
- 1/3 of patients surveyed reported that they had eye exams less frequently than they would like because of their insurance status¹
- “Lack of [vision] insurance [was] associated with a higher incidence of vision loss and an older mean age of diagnosis for the degenerative diseases of glaucoma and cataracts”¹



(1) 2016 NIH Report on Access to Vision Care, NIH citing National Health and Nutrition Examination Survey at <https://www.ncbi.nlm.nih.gov/books/NBK402365/#>

Eye Exam Out-of-Pocket Expense: Insurance vs. No Insurance

Average Cost for
an Eye Exam with
Vision Insurance:

\$0-\$20*



Average Cost for an Eye Exam
without Vision Insurance:

\$171-\$200

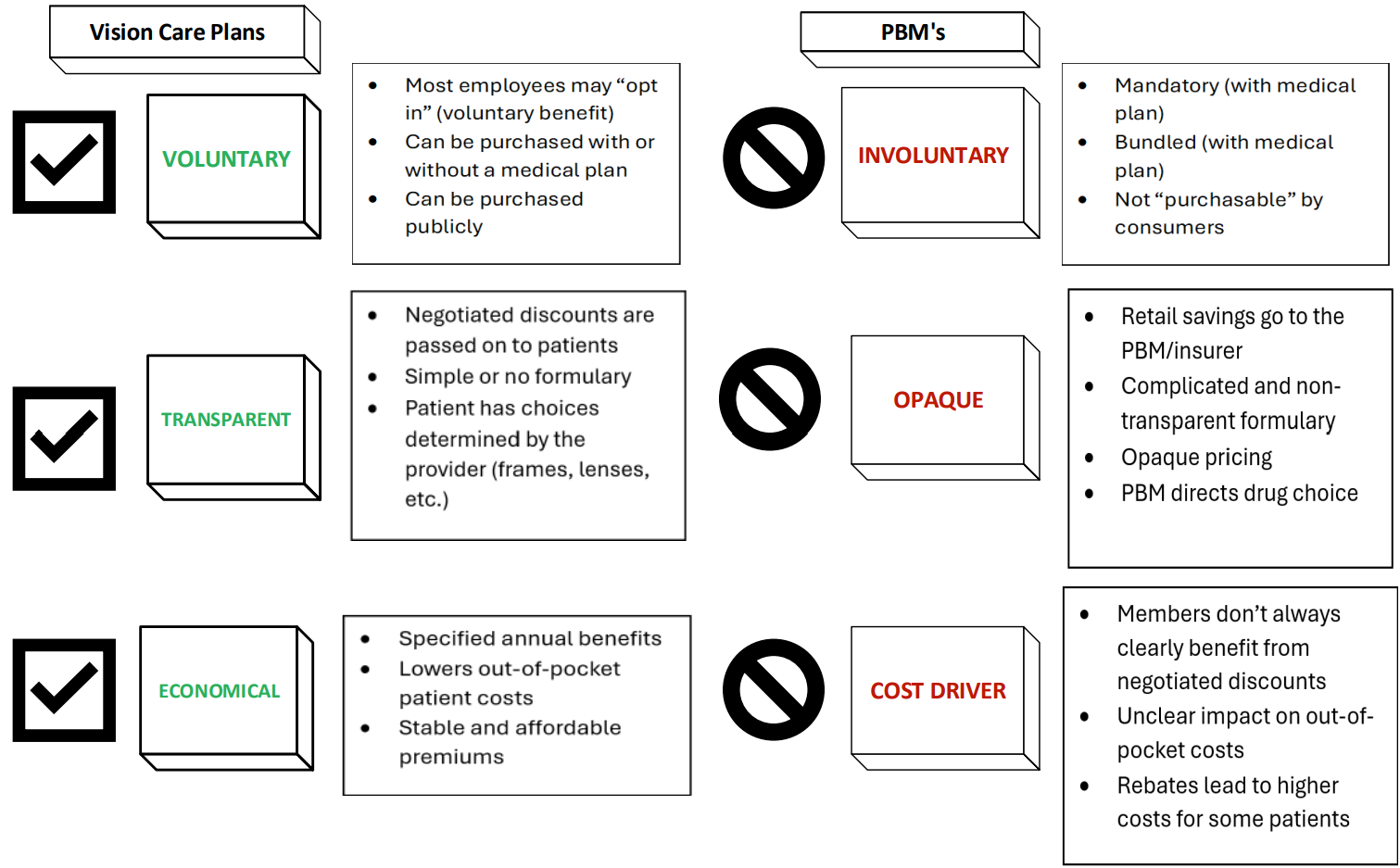


***Note:** Most vision plans either cover the eye exam entirely, or have a nominal co-pay of \$10-\$20 for the exam

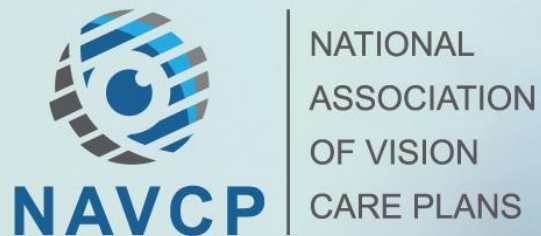
(1) *Is Vision Insurance Worth It?*, GLASSES.COM , 3/12/23 at

<https://www.glasses.com/gl-us/blog/is-vision-insurance-worth-it#:~:text=The%20honest%20answer%20is%20%E2%80%9CIt,ranges%20from%20%2410%20to%20%2420.>

Vision Care Plans Are Not “PBM’s”

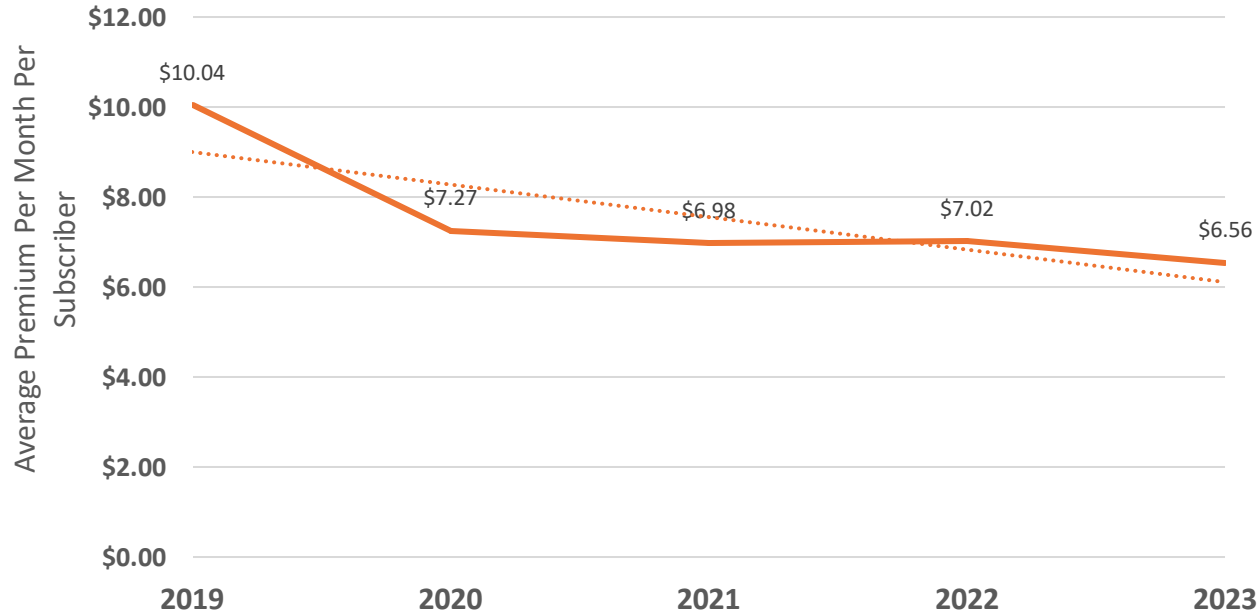


Vision Care Insurance Is a Crowded Field



Vision Premium Rates Have Trended Downward Despite Large Increases in Healthcare Premiums Overall

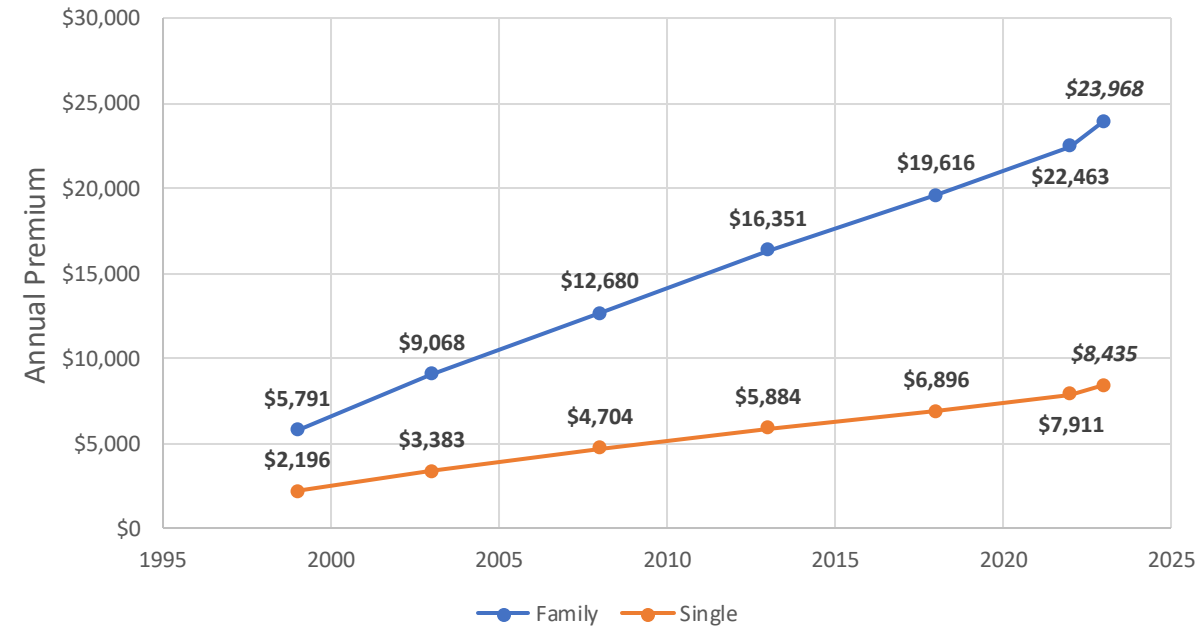
Average Monthly Vision Care Premiums: 2019-2023



Data Source: NAVCP Annual Benchmarking Report

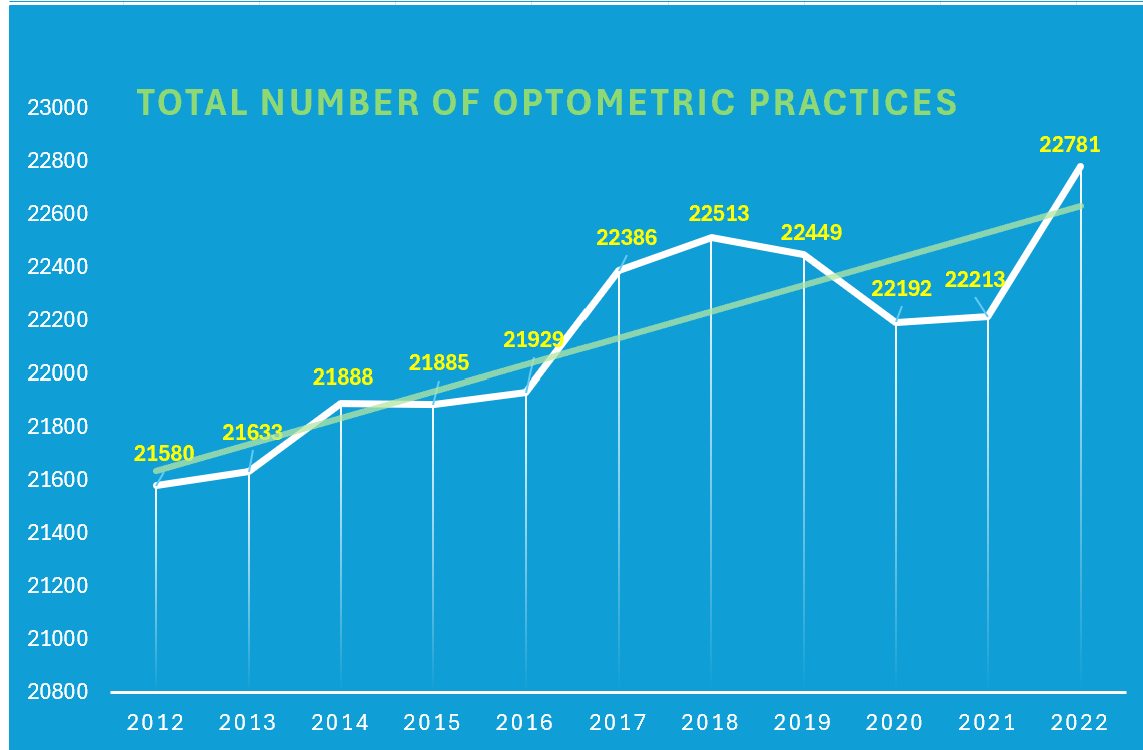
Note: The average premium per member per month for capitated membership was provided by plans. These premiums do not include self-funded plans and equivalent to this formula = (Sum Revenue/Count Membership)/12.

Average Annual Premiums for Single and Family Health Insurance Coverage (1999-2023*)

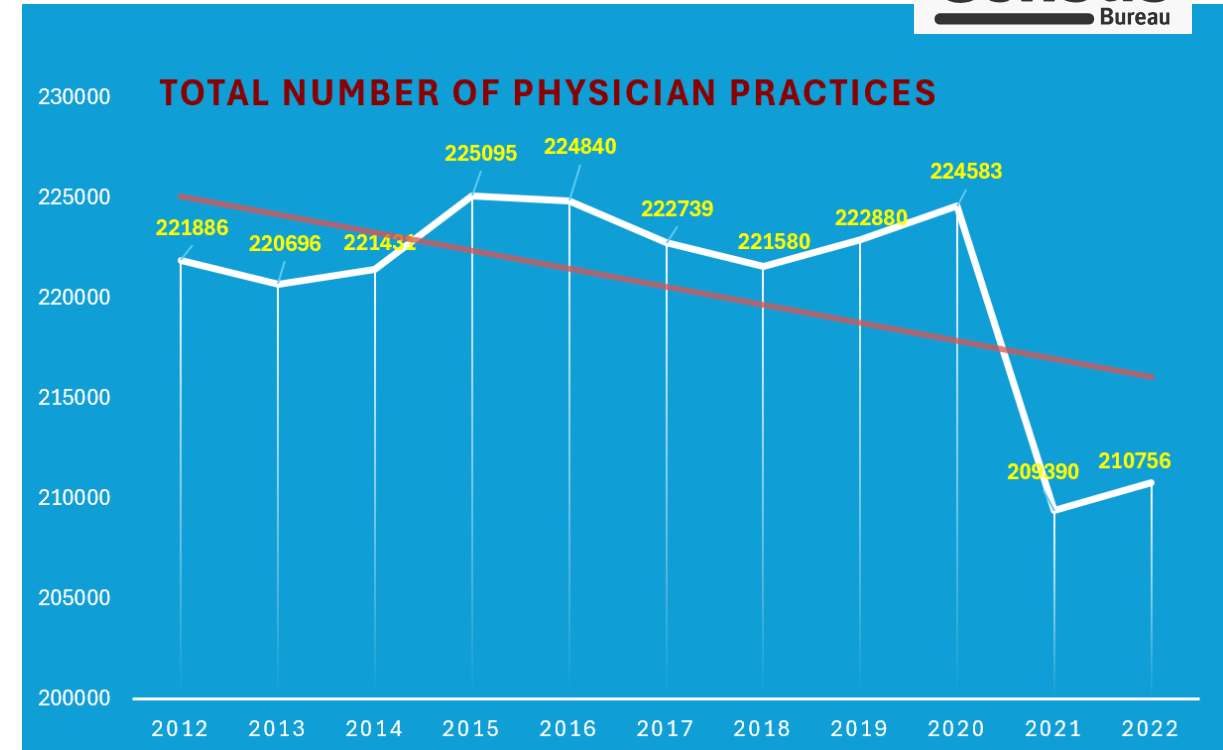


Data Source: KFF Employer Health Benefits Survey 2018-2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017 at <https://www.kff.org/report-section/ehbs-2023-section-1-cost-of-health-insurance/#figure112> – 2023 figures are estimated

Number of Optometric Practices Trending *Upward* Despite Overall *Downward* Trend in Physician Practices



NAICS 621320 “Offices of Optometrists”



NAICS 621111 “Offices of Physicians – Non-Mental Health”

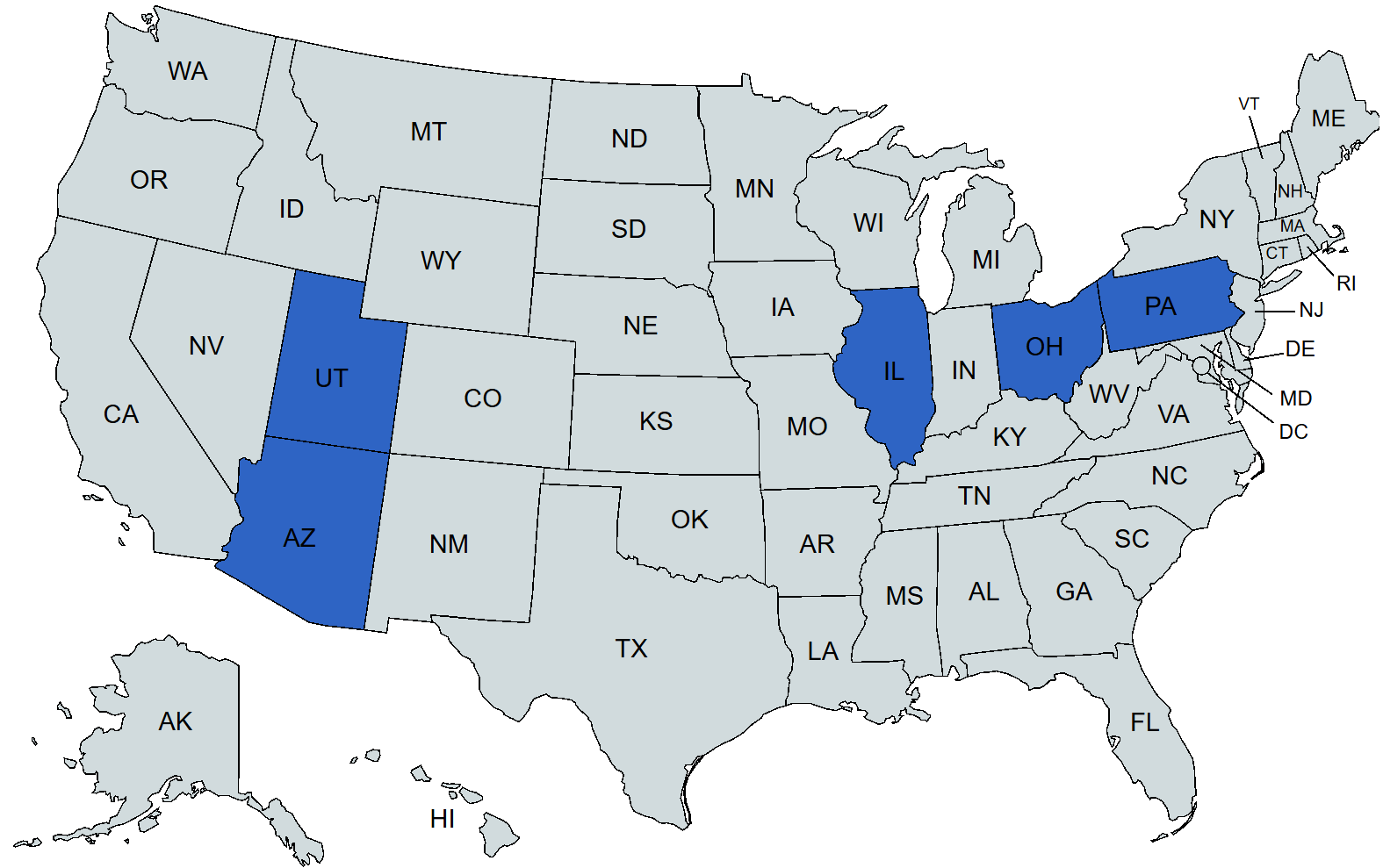
Source: US Census Bureau, Accessed 8/14/24 at <https://data.census.gov/table/CBP2022.CB2200CBP?g=010XX00US&n=621320> et seq. and <https://data.census.gov/table/CBP2022.CB2200CBP?q=CBP2022.CB2200CBP&n=N0500.62> et seq.



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Collaborative Legislative Vision Solutions

- Negotiated “middle ground” legislation for vision care, with both parties working collaboratively
- Focuses on consumers, preserving access to care and free market solutions



Anti-Consumer Vision Legislation



The Vision Care Insurance Market Is Stable, Affordable and Essential for Consumers

- Employees overwhelmingly value having vision care insurance
- Open access to vision care insurance is a critical healthcare need
- Demand for vision care is increasing, and the vision insurance market has great expansion potential
- Vision insurance helps subscribers mitigate out-of-pocket costs
- Affordability is positively correlated with seeking vision care
- Vision care premiums have decreased despite sharp increases in healthcare premiums overall
- The number of optometric businesses is continually increasing, outpacing the growth rate of physician practices overall
- Collaborative legislative solutions benefit consumers





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Thank You!

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