



NATIONAL ASSOCIATION  
OF VISION CARE PLANS

July 12, 2017

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
7500 Security Boulevard, MD 21244-1850

Attention: CMS-9928-NC

On behalf of the members of the National Association of Vision Care Plans (NAVCP), please accept our comments to the agency's Request for Information titled "Reducing Regulatory Burdens Imposed by the Patient Protection and Affordable Care Act & Improving Healthcare Choices to Empower Patients." NAVCP strongly believes increasing access to vision care services will create a more patient-centered health care system and to increase consumer choice. Increasing opportunities for consumers to purchase vision coverage through the exchanges will satisfy an unmet need and demand of the current marketplace. There are two ways NAVCP believes this can be achieved: increasing awareness among plans of their ability to provide adult vision coverage and allowing stand-alone vision plans to participate in the exchanges.

NAVCP is the membership organization for the managed vision care industry serving as the voice for the vision benefits industry. The 18 primary member companies manage extensive networks of vision care providers and provide vision benefit coverage to nearly 53 percent of all Americans, over 170 million people.

### **Stabilizing the Markets/Increasing Consumer Choice**

Aligning plan design and carrier choice in the federal and state health insurance exchanges to the employer-sponsored market is a sound strategy for increasing exchange enrollment as well as increasing satisfaction across all demographics. In particular, the right benefit mix could convince more millennials to enroll rather than pay the opt-out fine.

The Affordable Care Act (ACA) included vision coverage for children as an Essential Health Benefit. Adults were not afforded the same protections under the law. NAVCP supports giving consumers greater opportunities to purchase vision coverage in the public exchanges. While qualified health plans (QHPs) are aware of their requirements to provide pediatric vision NAVCP believes consumers would benefit if QHPs better understood the benefits of adult vision care and their opportunity to offer it. We also believe opening the public exchanges to stand-alone vision plans, the most preferred plans in the private market, is a simple adjustment that would put exchange vision benefits on par with private vision benefits. Ultimately, we believe it should be up to the consumer whether they would like to purchase vision coverage and the type of coverage they wish to receive; either through their QHP or a stand-alone product.

Allowing stand-alone participation on the insurance exchanges would effectively extend the EHB protection to adults and encourage other exchange plans to offer vision coverage. The regulations governing the exchanges did not include the participation of stand-alone plans

beyond pediatric dental. Some states considered allowing the inclusion of these plans but in most states consumers are not able to see offerings of all of our members when purchasing their exchange plans, limiting consumer choice.

Signals from the private market support our assertion that vision benefits are an opportunity to increase the value of exchange benefits for a modest premium just 1.3 percent to 3.5 percent the cost of the average medical premium<sup>i</sup>. In addition, vision utilization has historically been more predictable than other health benefits, resulting in stable prices and fair profit margins for carriers, creating an incentive for offering vision benefits that meet the diverse needs of the American health care consumer.

Americans seeking coverage through the public exchanges should have comparable choices in carriers. Currently, stand-alone vision plans are barred from participating in the exchanges although they are required to pay the same premium tax as carriers who are permitted to participate. As carriers reconsider whether to participate over the next several years, opening up guidelines regarding which carriers can participate is critical. The private market has the advantage of exploring vision benefits offered by stand-alone vision specialists as well as products marketed by major medical carriers.

### **Stabilizing the Markets: Attracting Younger Healthier Consumers**

- **The diagnosed need for vision correction spans generations, including a significant percentage of millennials.**

In the U.S., 43.4 million aged 18 to 34, 27.7 million aged 35 to 44 and 38.3 million aged 45 to 55 use vision correction. And 11 million more need vision correction but go without<sup>ii</sup>.

- **Health exchanges are missing the opportunity to meet the demand of two-thirds of consumers.**

Nearly two-thirds of American adults not covered by a managed vision care plan report they would either “probably” or “definitely” sign up for vision care coverage if presented the opportunity, even if it required a small fee each month<sup>iii</sup>.

Nearly 40 percent of Americans fear they cannot afford adequate treatment. The same percentage will admit to postponing or avoiding care due to cost<sup>iv</sup>.

- **Millennials prefer monthly premiums to unplanned, uncovered health expenses.**

Older millennials (ages 27 to 36) are most likely to forgo care due to cost<sup>v</sup>. About 1 in 3 report choosing not to seek medical attention because they couldn’t afford it<sup>vi</sup>.

Instead, millennials report preferring to pay a larger monthly premium in order to avoid unplanned out-of-pocket expenses<sup>vii</sup>. Two-thirds of millennials shopping in the new health insurance marketplace in 2013 opted for silver plans. Only 4 percent chose catastrophic plans<sup>viii</sup>.

## **Empowering Patients and Promoting Consumer Choice**

- **Enrollment in vision benefits is comparable to enrollment in dental and prescription drug benefits despite lower access.**

According to the Bureau of Labor Statistics<sup>ix</sup>, of the 24 percent of U.S. workers offered a vision benefit by their employer in 2016, 78 percent enrolled. As a point of reference, prescription drug and dental benefits are offered far more frequently (42 percent and 66 percent respectively) yet enrollment rates are comparable to vision (78 percent and 74 percent respectively).

- **Enrollment in vision benefits has increased 20 percent nationwide in the last five years<sup>x</sup>. About 66 percent of American adults are covered by managed vision care plans.**

Drivers include an increase in the percentage of employers offering vision benefits in response to employee requests as well as increased need in the population.

- **Employers report that vision and dental benefits are highly valued by employees and often more highly utilized than medical benefits<sup>xi</sup>.**

Vision, in particular, is generally offered as a voluntary benefit. Those who enroll intend to use the benefit and are often acutely aware of how cost prohibitive vision care and eye wear is without insurance.

## **Improved Health Outcomes**

In addition to increased consumer choice and access, improved vision coverage would help improve not only vision health but general health.

- **Even slight deterioration in vision can impact an employee's productivity by up to 20 percent.<sup>xii</sup>**
- **The vision health habits recommended by optical professionals are closely correlated to vision benefits.**

Americans with a vision benefit are 30 percent more likely to have an annual eye exam and will return for their next vision check-up 5 months earlier, on average. They are also more likely to update their prescriptions, as necessary.<sup>xiii</sup> Each year, about two-thirds of eye exams in the U.S. are performed on patients with a vision benefit.<sup>xiv</sup>

- **Vision is a cost-effective form of preventative medicine.**

The average American is four times more likely to have an eye exam than a physical<sup>xv</sup>, and that's why the health care community increasingly views eye exams as critical, cost-effective preventative care. An eye exam can reveal hypertension, high cholesterol, diabetes and other serious health conditions, often before the patient has noticed symptoms and before diagnosis by

a physician. The savings at stake for the early diagnosis of diabetes and other physical conditions are significant.

## Conclusion

One reason for lagging enrollment is high cost versus perceived value. Consumers utilize and value vision benefits. Corrected vision has immediate, noticeable impacts on daily life.

NAVCP members provide consumers with services and benefits that improve their physical health and productivity. Opening access to a benefit consumers desire encourages uninsured individuals, particularly the young invincibles, to sign up for coverage on the exchanges. That step, along with ensuring access to the vision plans proven popular in the private market, is a winning formula.

Sincerely,



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<sup>i</sup> Kaiser Health reports average premiums for single coverage was \$6,251 in 2015. Average vision premiums range from \$7/month or \$84/year to 18/month or \$126/year for singles. <http://www.kff.org/report-section/ehbs-2015-section-one-cost-of-health-insurance/>

<sup>ii</sup> Vision Council of America. 2012. Vision Watch 2012 Optical Retailer Report & Directory.

<sup>iii</sup> Vision Council of America. 2007. Vision Watch September 2007 VCA Consumer Awareness Report: Managed Vision Care and Eyewear Perspectives.

<sup>iv</sup> 2005. "Survey Reveals Disparities in Americans' Perceptions of Vision Health." Nursing Home and Elder Business Week. P. 46.

<sup>v</sup> Bankrate Money Pulse Survey. June 2017.

<sup>vi</sup> Bankrate Money Pulse Survey. June 2017.

<sup>vii</sup> Zimmerman, Kaytie. April 16, 2017. "The Surprising Employer Benefit Millennials Really Want." Forbes.com.

<sup>viii</sup> Craig, William. December 19, 2015. "What Kinds of Health Insurance Should Millennial Employers Offer." Forbes.com.

<sup>ix</sup> Employee Benefits Survey, 2016, U.S. Bureau of Labor Statistics

<sup>x</sup> NAVCP Report; The Advantages of Vision Benefits for Patients and Providers; September 2016

<sup>xi</sup> Bernaciak-Massaró, Stephanie. 2008.

<sup>xii</sup> Daum, Kent M., O.D., PhD., Katherine A. Clore, O.D., PhD. 2004. "Productivity Associated with Visual Status of Computer Users." Optometry 75(1):1-15.

<sup>xiii</sup> focalCenter. June 2016. The Advantages of Vision Benefits for Patients and Providers.

<sup>xiv</sup> National Eye Institute. 2007.

<sup>xv</sup> U.S. Department of Health. August 6, 2008. National Health Statistics Reports #8.