



Understanding the impact of the Affordable Care Act (ACA) on vision coverage and care delivery

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The vision insurance market: pre-ACA

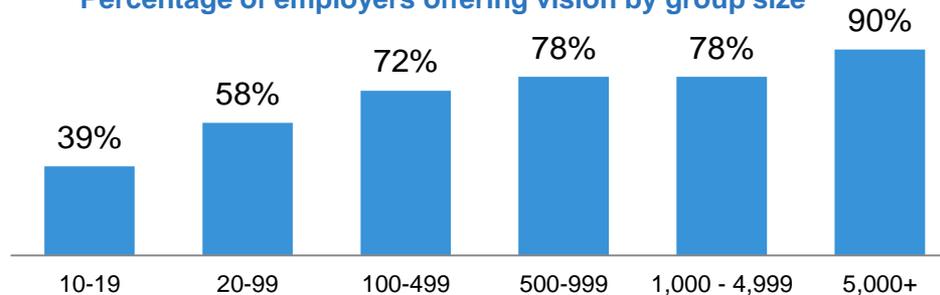


Benefit plan: vision insurance versus medical eye care



Employers: the smaller the group, the less likely to offer vision coverage

Percentage of employers offering vision by group size*



Individual: least-mature market for standalone vision insurance

Essential Health Benefit: ACA

Essential health benefits*



Ambulatory patient services



Emergency services



Hospitalization



Mental health, substance abuse & behavioral treatment



Maternity & newborn care



Rehabilitative & habilitative services/devices



Prescription drugs



Laboratory services



Preventive/wellness & chronic disease management



Pediatric services
(including dental & vision)

Key ACA dates impacting vision care

2010

March 23
Health care law enacted

2014

January 1
ACA coverage begins for individuals and small groups with up to 50 employees, **including essential health benefits (EHB)**

2016

January 1
Small group redefined as employers with up to 100 full-time employees (in most states)
51-100 groups begin transition to ACA plans, including EHB

For complete details, visit makinghealthcarereformwork.com.

The ACA's impact to vision insurance

Prior to the ACA

- No requirement for medical plans to include a vision benefit
- Standalone vision plans available for purchase
- Eyewear typically subject to benefit maximums

After the ACA

- Pediatric vision EHB's required in individual and Small Group medical plans
 - Adult coverage unaddressed
- Standalone vision plans available for purchase
- EHB offered with no dollar limit
 - Industry shifted from benefit maximums to formulary type plans

The ACA's impact to government membership

A significant portion of the US population is covered by a government sponsored plan.



Vision insights



Eye and overall health

- Substantial number of older people with vision loss and other comorbid conditions
- 1.2 million experience vision loss and diabetes



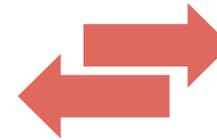
Children's health

- Vision disability among most prevalent disabling conditions in children
- Early detection increases likelihood of effective treatment



Cost of care

- Economic burden of vision loss and eye disorders in the U.S. totals \$139 billion



Access

- More than half of adult Americans who did not seek eye care are due to lack of awareness or costs
- Often exacerbated by lack of adequate health insurance

Anthem observations to date



1

Access: ACA has increased access (including pediatric vision coverage)

- Individual membership: **10.2 million** individual members with marketplace coverage*

2

Utilization: Initial findings indicate lower pediatric vision utilization than we typically see

3

Integrated care: Vision benefits integrated into a medical plan can improve patient care, lower costs and improve the experience for everyone.

- Two-way communication and sharing of medical history between primary care physicians and eye doctors
- Incentives for primary care physicians to help manage high risk conditions such as diabetes (payment for compliance with diabetic eye exam)

What Anthem members are saying about integrated care:



Questions?

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