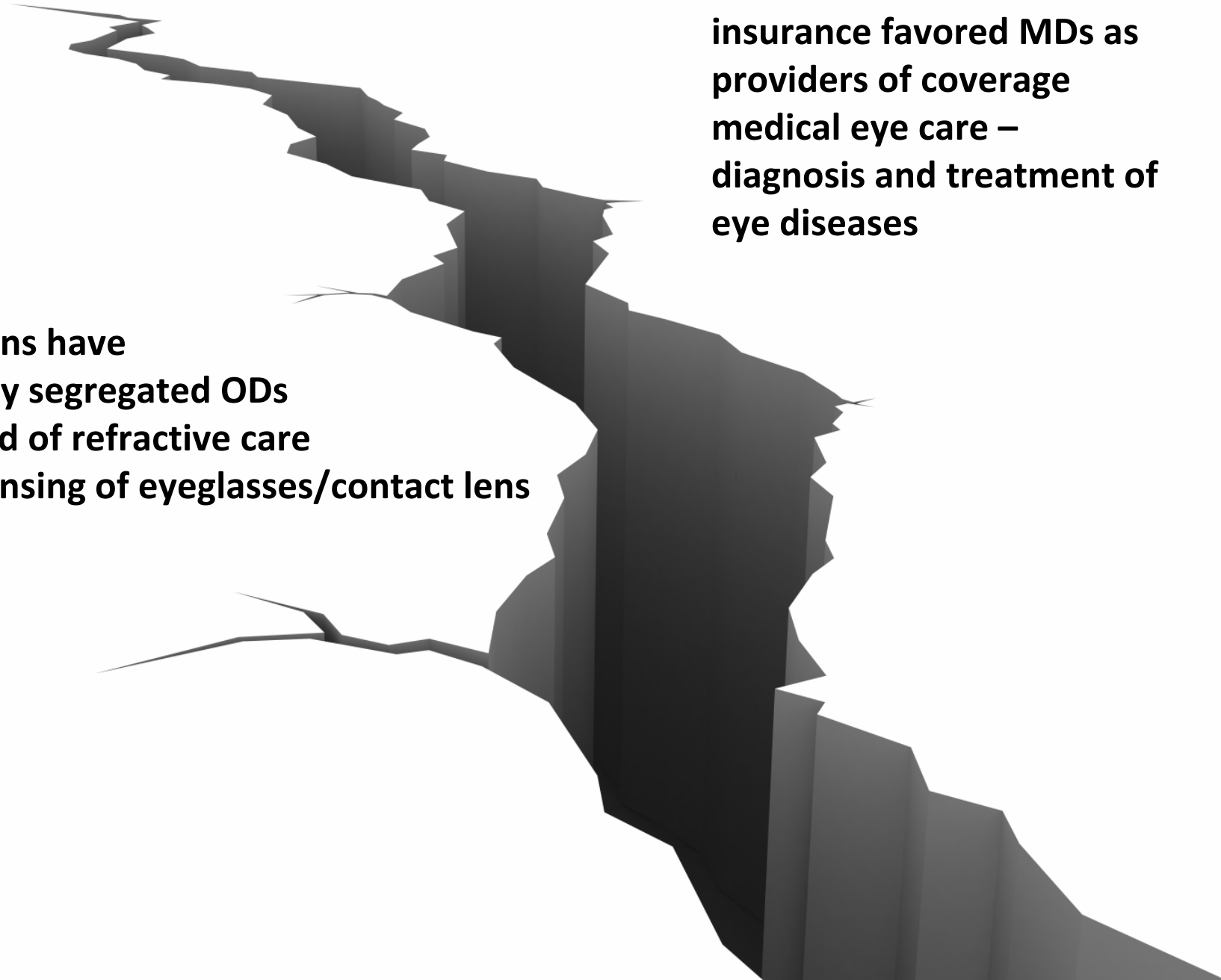


Are vision plans broken and need to be replaced with a new model of health insurance for vision wellness and eye health ?



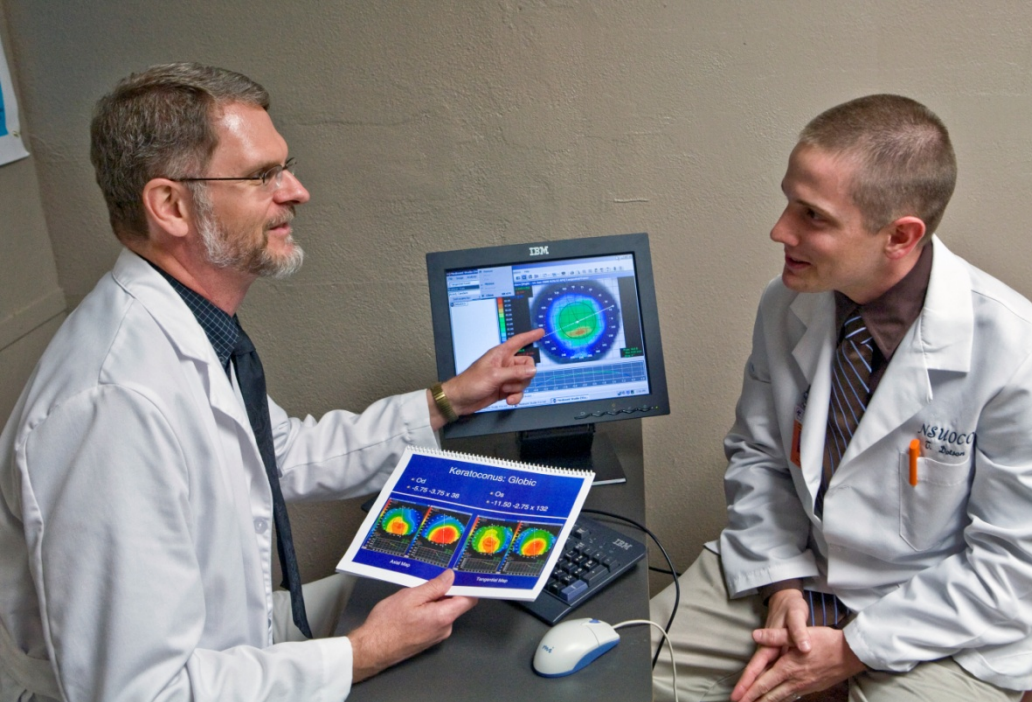
Barry J. Barresi, OD, PhD Executive Director of the American Optometric Association



Conventional health insurance favored MDs as providers of coverage medical eye care – diagnosis and treatment of eye diseases

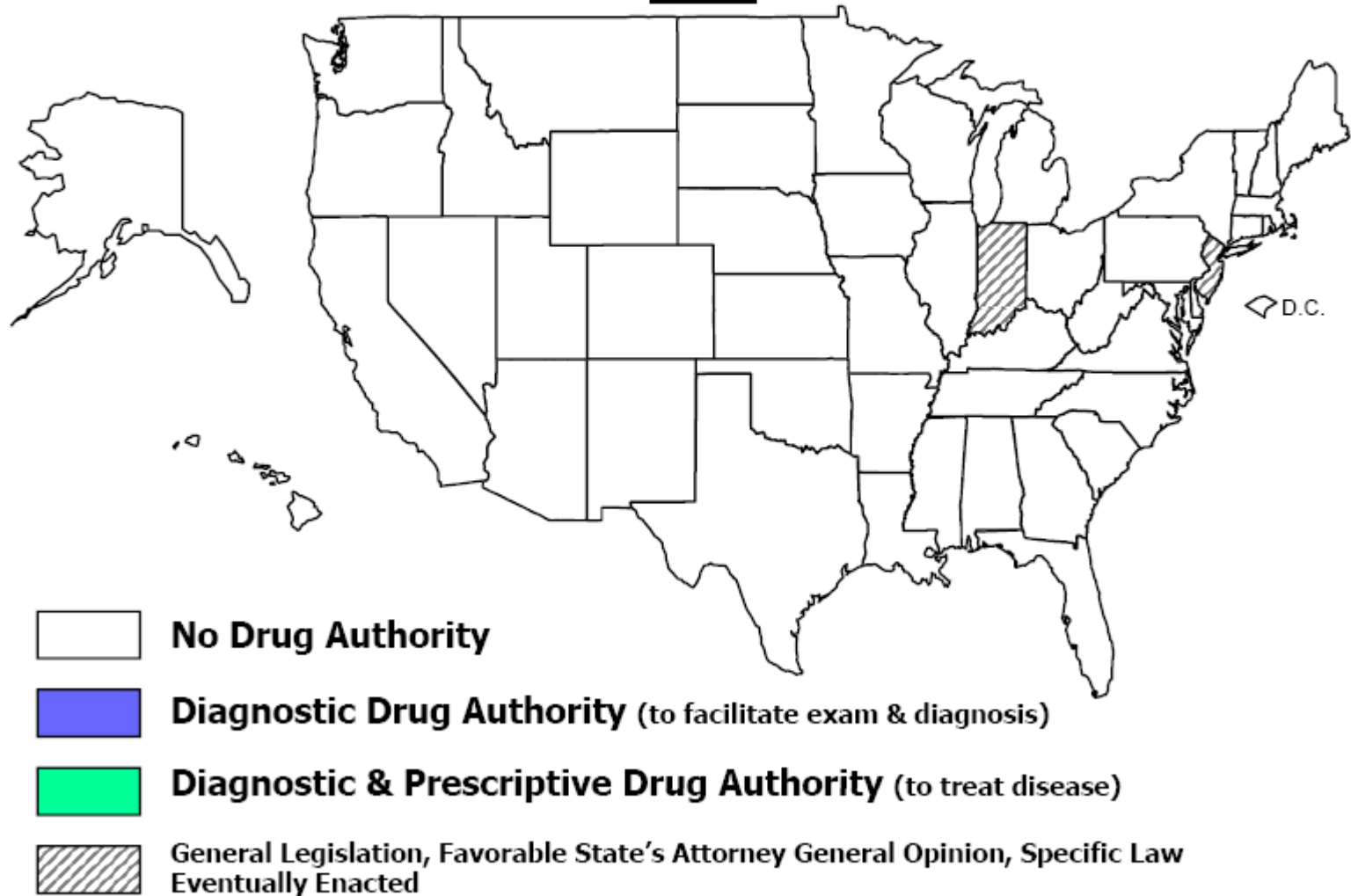
Vision Plans have historically segregated ODs to the land of refractive care and dispensing of eyeglasses/contact lens





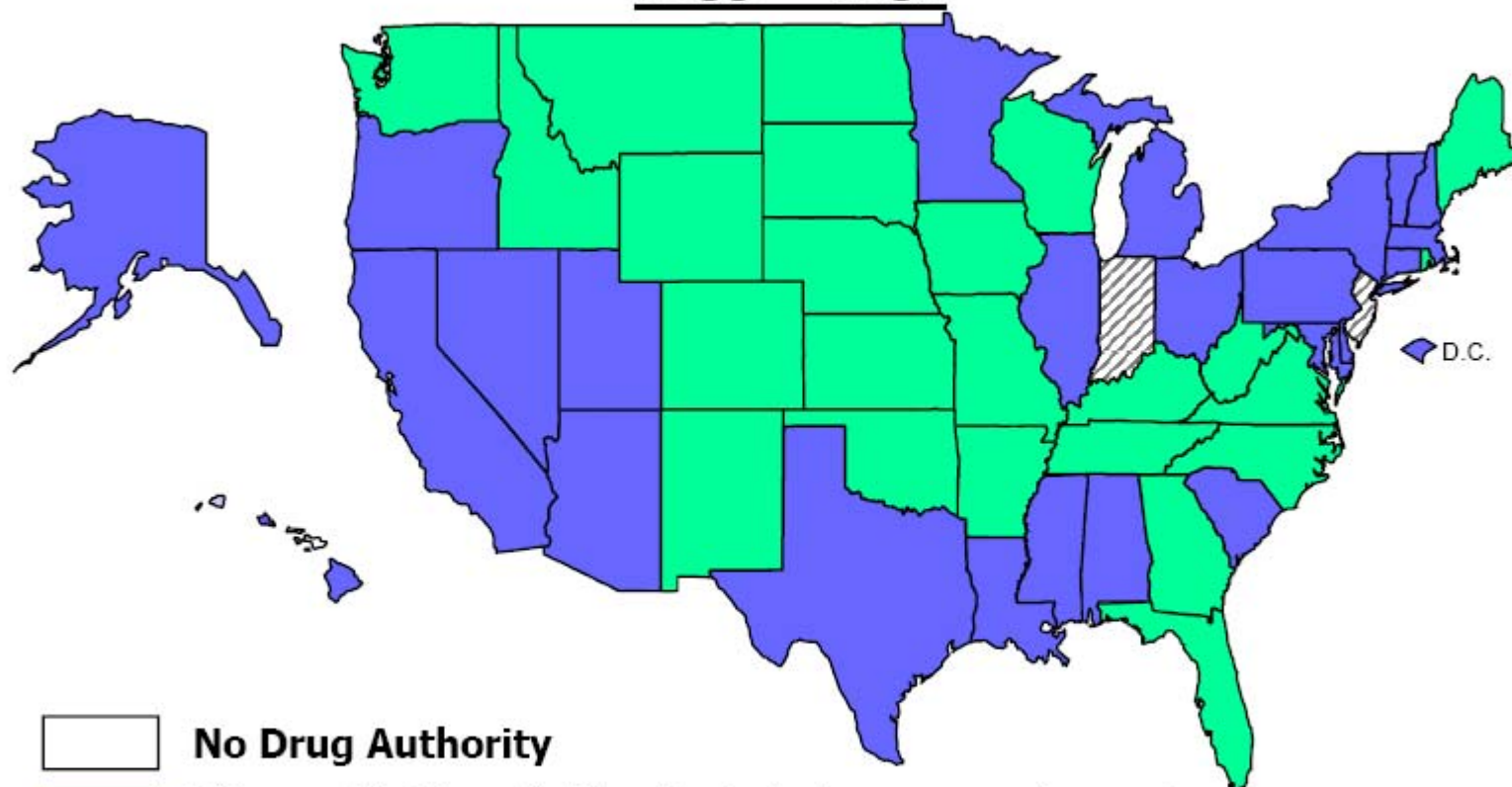
History of Legend Drug Prescriptive Authority in the U.S.

1970



History of Legend Drug Prescriptive Authority in the U.S.

1985 - 1989



No Drug Authority



Diagnostic Drug Authority (to facilitate exam & diagnosis)
[Last law authorizing diagnostic authority enacted in 1989]



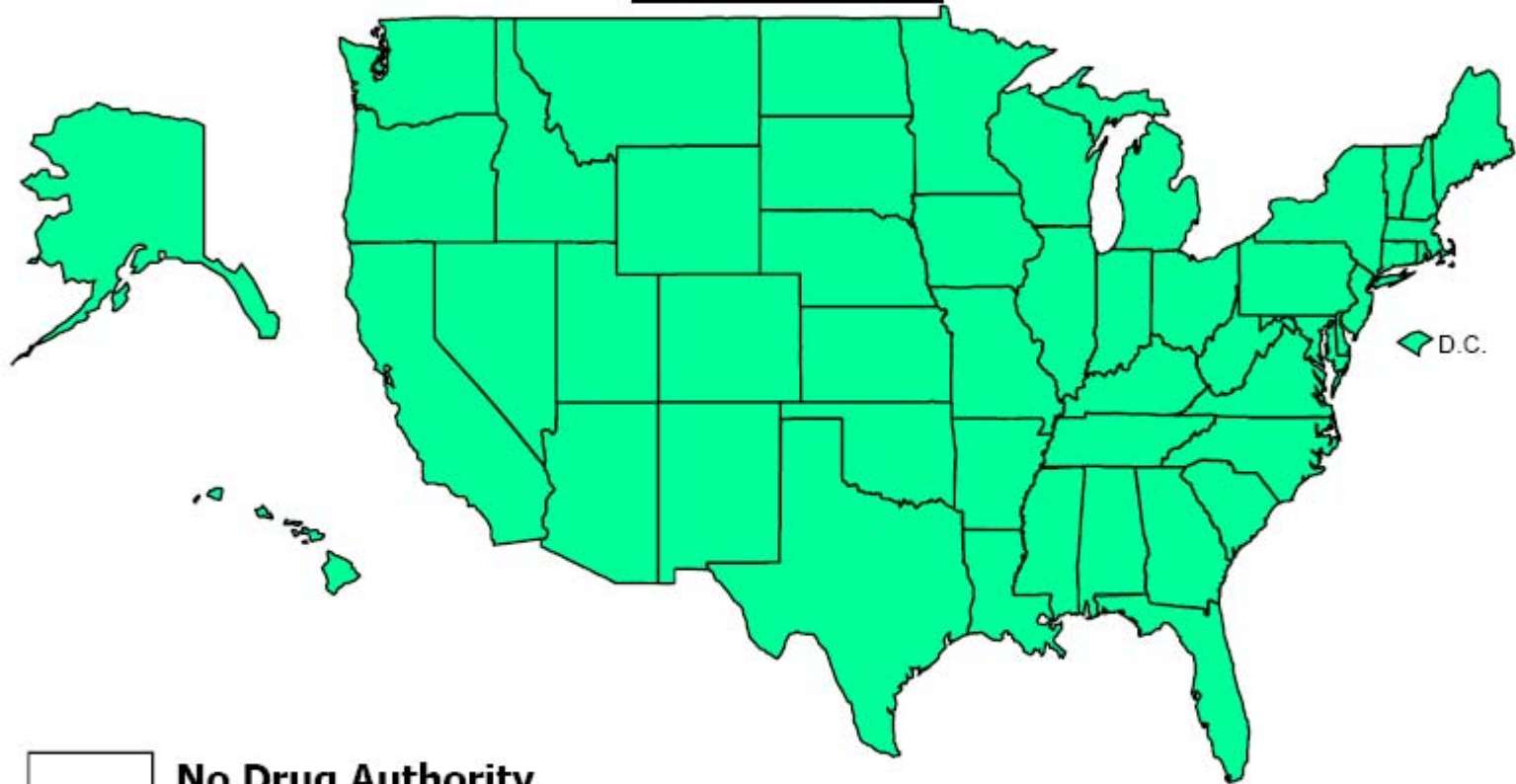
Diagnostic & Prescriptive Drug Authority (to treat disease)



General Legislation, Favorable State's Attorney General Opinion, Specific Law Eventually Enacted

History of Legend Drug Prescriptive Authority in the U.S.

1995 - 1998



No Drug Authority



Diagnostic Drug Authority (to facilitate exam & diagnosis)



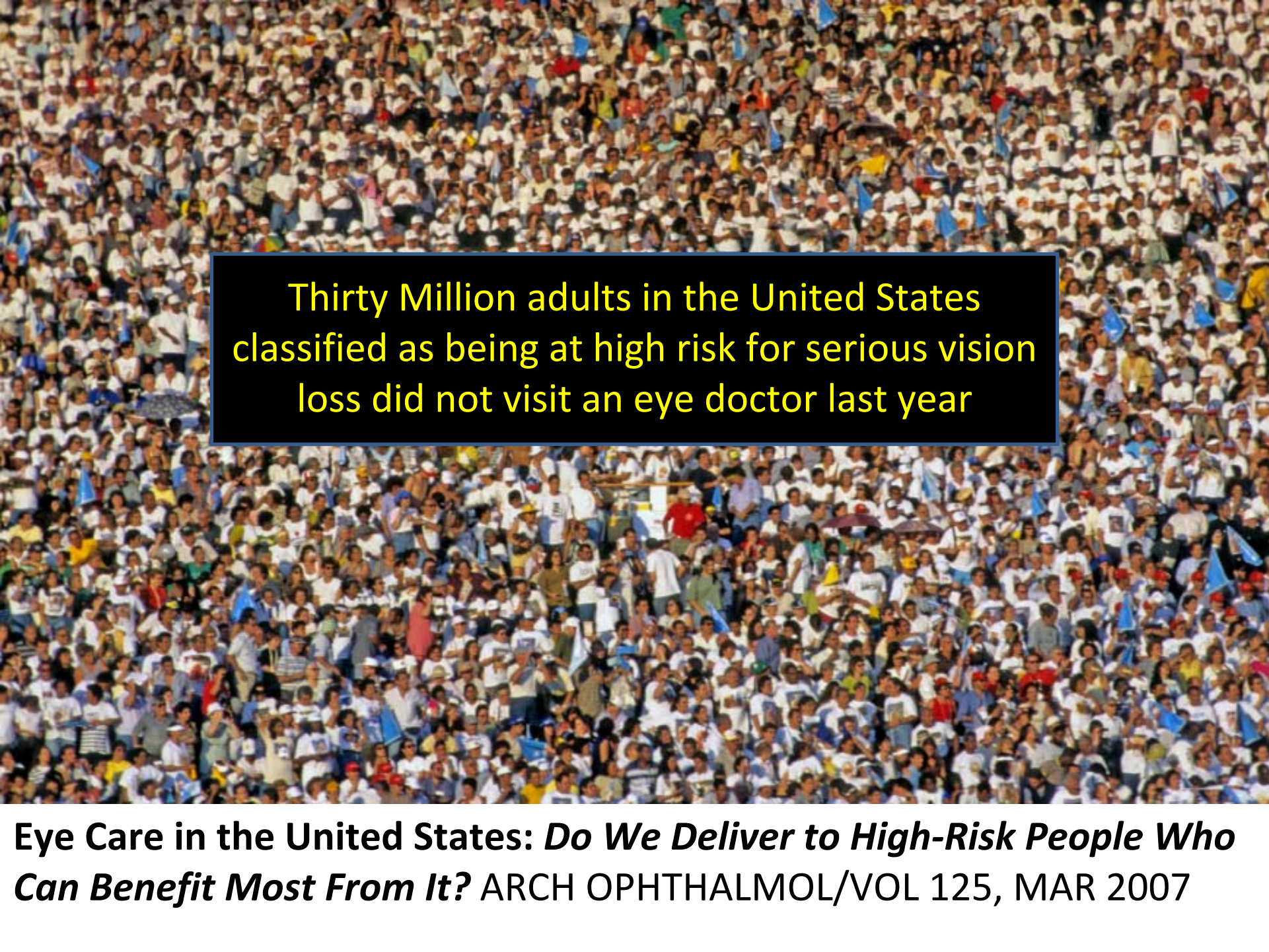
Diagnostic & Prescriptive Drug Authority (to treat disease)

[Last law authorizing prescriptive authority enacted in 1998.]

A nighttime photograph of the Gateway Arch in St. Louis, Missouri, illuminated against a dark sky. The Arch is a large, white, catenary-shaped structure. In the foreground, a large, dark bridge with many lights spans the Mississippi River. The river's surface is calm, reflecting the lights from the Arch and the bridge. The city skyline is visible in the background, with several buildings lit up. The overall scene is a vibrant urban nightscape.

Optometry TPAs and inclusion in Medicare creates OD Bridge of Access to payment for medical eye services

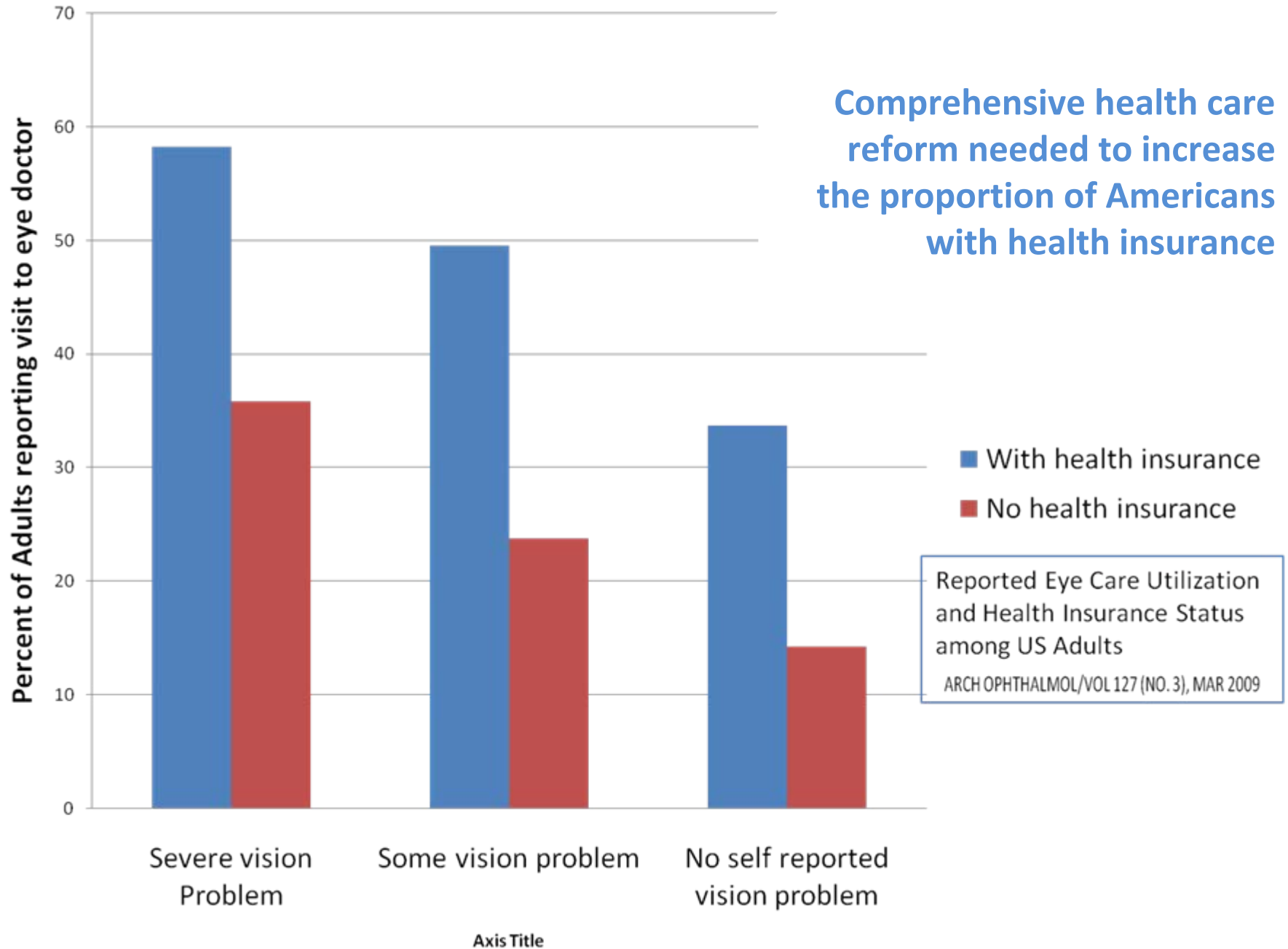
On April 1, 1987, optometrists became eligible for reimbursement under Medicare for the services optometrists are authorized to provide under the laws of the state in which this service is performed. Optometrists defined as “physicians” under US Social Security Act



Thirty Million adults in the United States
classified as being at high risk for serious vision
loss did not visit an eye doctor last year

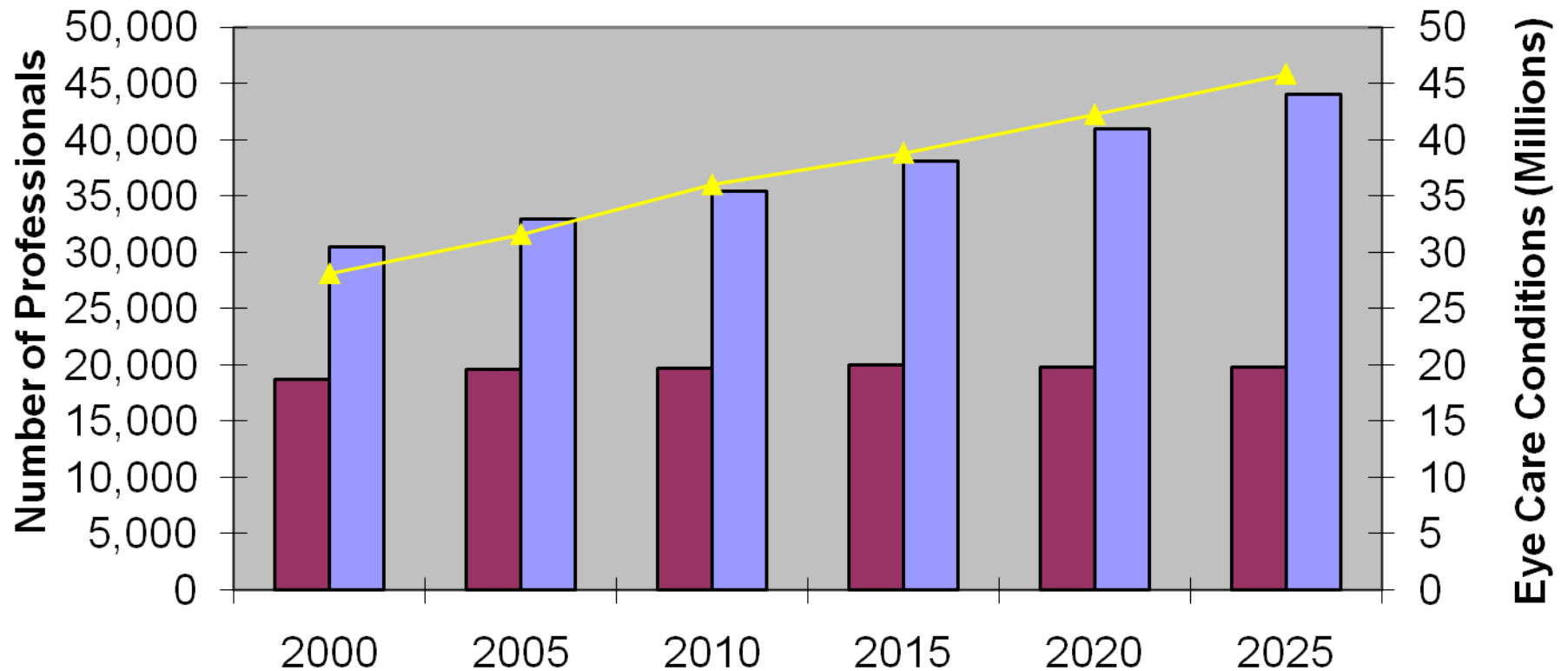
Eye Care in the United States: *Do We Deliver to High-Risk People Who Can Benefit Most From It?* ARCH OPHTHALMOL/VOL 125, MAR 2007

Health Insurance Increases Demand for Eye Care



ODs Increase Workforce Share From 60% to 70%

Number of Eye Conditions* & Professionals (US 40+ population)



■ Supply of Ophthalmologists ■ Supply of Optometrists ▲ Select Eye Conditions

Summary of Today's Challenges

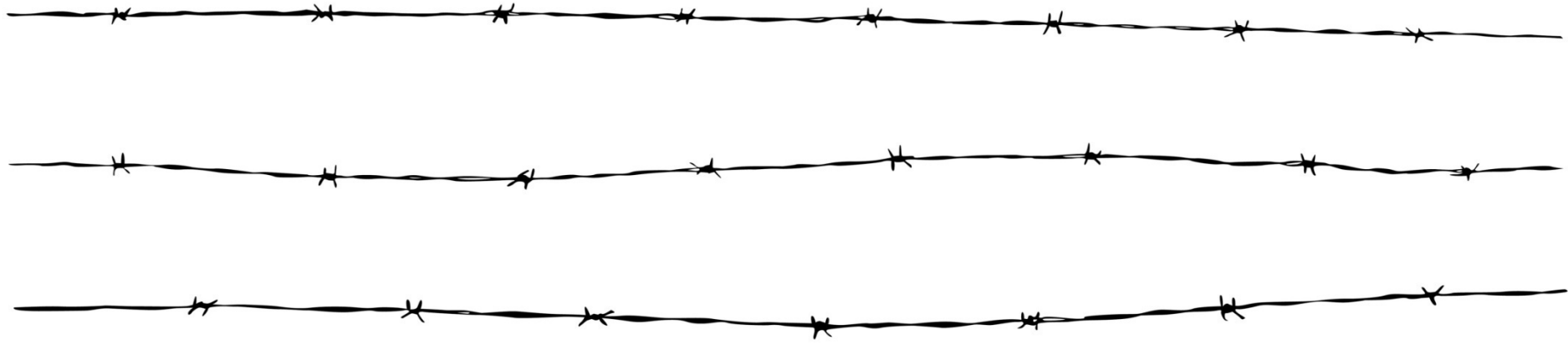
- Separation of vision care (wellness and refraction) from eye disease diagnosis and treatment harms patients, providers and plans
- Growing optometric parity with medicine as quality provider of eye disease diagnosis and treatment creates new opportunities for better patient access and more efficient care
- Public health crisis of underutilization of needed eye care and lack of insurance coverage getting worst
- A dramatic shift in workforce supply of ODs as supply share by MDs declines points to need for direct patient access to ODs

Vision Plans Companies Now Administering Medical Eye Care Benefits



"Thanks to my vision plan I have access to medical care patients and can get paid to treat eye disease"

Are these the icons of the vision plan companies entry into the medical benefits administration in eye care ?





**KEEP OUT - Only MDs allowed fair
reimbursement and utilization policies**

Result – OD Discrimination and Patient Barriers to Access Coordinated Care



Higher reimbursement of MDs providing same service as ODs

ODs must bundle codes for medical care, MDs do not



OD Participation Discrimination
**ODs must join vision plan to provide
medical services**

**OD Utilization
Discrimination**

**Different limits
for frequency,
covered codes,
formulary**



It is the patient that suffers the most from our broken system



Do not blame vision plans – it is the system that is broken

First Step in Reform

Full transparency and disclosure so that ODs can make informed business decisions

CONTRACT

Contractor agree as follows:

1. Agreement. This Agreement shall be effective and shall forth in this Agreement have been satisfactorily fulfilled as first. Contractor shall have a continuing obligation to this Agreement intended for the Company's protection to survive the completion, expiration or termination of the Agreement.

2. Scope of Work. NO WORK SHOULD BE DONE BY THE CONTRACTOR UNDER THIS AGREEMENT.

3. Compensation. The compensation for all services and goods to be provided by the Contractor shall be paid by the Company as follows:

4. Term of Agreement. The Contractor's term of obligation to the Company under this Agreement shall be for a period of one (1) year, commencing on the date of execution of this Agreement, and shall be subject to the Company's discretion.

5. Termination. The Contractor shall have the right to terminate this Agreement at any time, without notice, and without penalty, by giving written notice to the Company. The Company shall have the right to terminate this Agreement at any time, without notice, and without penalty, by giving written notice to the Contractor.

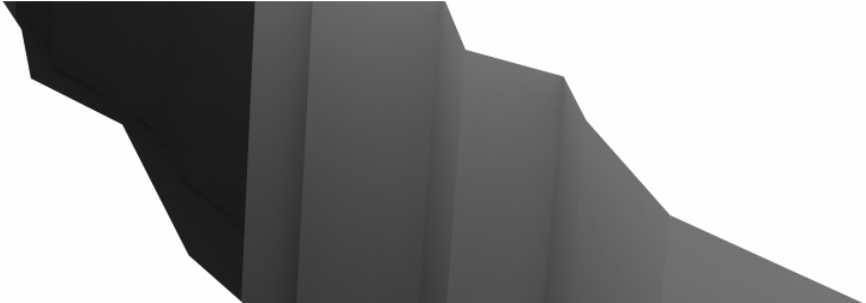
6. Assignment and Subcontracting. The Contractor shall not assign or subcontract any part of its obligations under this Agreement to any third party, without the prior written consent of the Company.

7. Entire Agreement. This Agreement shall constitute the entire agreement between the Contractor and the Company, and shall supersede all other agreements, understandings, or negotiations between the Contractor and the Company.



Ultimate solution

Mainstream the wellness
eye exam, refraction, eye
disease diagnosis and
treatment into core insured
medical benefit



AOA is ready to do its part to help bring together all stakeholders (providers, plans, employers, ophthalmic industry) to solve the puzzle of mainstreaming ALL vision and eye care within health insurance and medical plans





**Comprehensive,
coordinated,
high quality eye and
vision care
for ALL**

BJBarresi@aoa.org