



EMPLOYEE BENEFIT ADVISER

An eye for worker health

Vision carriers continue to push the connection between eye health and overall health in hopes of resonating with benefit advisers. It's a familiar message, but it's also one that they insist continues to win converts.

By Robert L. Whiddon

It was a kumbaya moment," is how one vision care professional put it. The moment in question being when a benefits broker realized that just because selling vision coverage wouldn't mean a lot of extra revenue, it just might mean a significant improvement in worker health.

The connection between a worker's eye health and overall health is something that vision insurance professionals, eyewear and lens technology companies have stressed, are stressing, and promise to continue to stress long into the future.

It's a funny thing," says Pat Huot, director of managed vision care for Transitions Optical. "You think it'd be as obvious as can be."

But the fact remains that it's not, and for brokers it's frequently not. That's why Huot and others continue to stress the connection.

"You really do need to connect the dots for people," he says.

And as the aforementioned "kumbaya" moments still happen, industry leaders promise to continue to stress the connective tissues linking eye health and overall health.

For instance, one factoid that is often cited by vision coverage experts is that an estimated 21% of adults receive a preventive health exam annually, while 61% of American adults with vision coverage receive annual eye exams, according to a 2007 report from coverage juggernaut VSP.

That means employers looking to catch chronic conditions early would do well to make sure their workers have a good vision plan, one that gets them in to see their eye doctor regularly. They aren't taking the time to get regular checkups from their PCP, the data suggests.

VSP's Pat McClelland says the preventive angle has added resonance today as more and more employers look to the high-deductible health plan market to help them manage client medical costs. Higher deductibles could mean more employees skipping regular check-ups and that could spell trouble for both the employee and the employer down the line.

"As people are pushing toward higher deductible plans to offset increases in costs, why not plug in a vision plan as a first-dollar benefit? It's a great way to potentially see incidences such as pre diabetes and/or high cholesterol, referring them back to their PCP," McClelland says.

But both he and Huot recognize that many brokers and advisers aren't buying it. For every "kumbaya moment" there are just as many "bah humbug" exchanges.

"I would say in general brokers, historically, by and large may tend to look at vision as item number 59 on a 60 bullet-point presentation," Huot says.

But that's not stopping him and his company from beating the familiar drums.

In fact, Huot says participation in the company's nascent annual vision conference, what it has dubbed Academy, is up sharply this year, surprising the organizers given continued economic weakness.

"The first time we held Academy we had 64 attendees, and that was probably split between seven vision plans and the audience split between vision plan reps and their key brokers. This last year we had about 110. Given the economy and those types of things, we were actually kind of pleasantly surprised that the number grew that much," Huot says.

And it's events like Academy that produce the "kumbaya moments" for brokers.

Huot says some brokers do come away finally understanding and believing in the eye-health connection to an employee's overall health. He also says the investment and resources evidenced by events like Academy communicate that there is a significant push in the industry to make that connection explicit.

That means some brokers, according to Huot, are paying more attention because "they don't want to miss out."

AlwaysCare Benefits Erich Sternberg agrees.

While he doesn't know if benefit advisers are paying enough attention to the overall health connection, he says more and more are giving it serious thought.

"Vision is by far our fastest growing product line," Sternberg says.

VSP, for its part, seeks to stress the overall health connection by offering employers a wellness program bundled with its vision product.

It's the same program the carrier instituted for its own workers just two years ago.

The "Get Fit" program includes personalized eating plans, nutrition journals and exercise and activity routines. VSP remade its onsite cafeteria with healthier options and the company will advise clients on how to make similar adjustments, regardless of their size.

More and more advisers are paying attention to wellness and other worker productivity drivers as part of a larger strategy to diversify their product and service packages for their clients. The writing is on the wall, many experts agree. Benefit brokers and advisers would do well to anticipate a reduction in their group health revenue as federal lawmakers continue to work toward a reformed American health insurance system. Wellness is one area advisers are pursuing, voluntary benefits and rounding out existing clients is another.

"If there is a public plan out there and a certain percentage of brokers' market share goes there, then yeah, absolutely they are going to look at ancillary lines to supplement income," VSP's McClelland says.

Prioritizing products

That has American Public Life's Peggy Hayes concerned.

"It's all about priorities," she says.

Her concern is that brokers and advisers may pay more attention to vision when many workers basic life insurance and disability income replacement needs are still unmet.

Priorities, she says, become more important, not less so when times are tight.

"People are having to make more profound choices. When you have a reduction in your income and a broker is selling benefits that are paid for out of a smaller paycheck, it's really more important for us to be cognizant of the priorities. It's all about need selling."

She admits it's a fine line when it comes to voluntary sales. One of the underpinnings of the voluntary benefits market is to make a variety of products and services available to employees, allowing them to select the coverage options they desire.

"Voluntary benefits are all about giving employees a myriad of choices. The more choices we can give them the better, right? Well, not necessarily so," according to Hayes.

She's not hiding the fact that vision just happens to be one product that American Public Life doesn't offer employers and their workers.

The company does offer lots of other products, everything from disability and life to cancer, accident, heart and stroke, dental and even intensive care. Even within its own product mix, Hayes says American Public Life sales directors are instructed to stick to the priorities message.

"There are some products that are more important than others. We really feel strongly that you have to focus on the products that are real important before you move on to the boutique products," she says.

As far as the eye health, overall health connection, Hayes says it might be a bit "overblown."

Sternberg disagrees, insisting it's "a very viable message." He also cautions against ranking products.

"It's very difficult to go do that kind of comparison," he says. "Vision insurance has a very important place."

He also encourages brokers to make sure it's in their portfolio for defensive reasons.

"If you don't offer it, somebody else is going to offer it. Offering it just helps you lock down your clients and make sure you're the broker of choice," Sternberg says.

Other choices

Just like there is a lot of choice for employers in the brokerage market, benefit advisers are faced with choices when it comes to vision companies.

There is also much to consider beyond the overall health connection. There are other criteria both advisers and their clients consider when evaluating vision benefits.

"Look around and see what's available from all carriers," says Jim Hirko, senior vice president of marketing and operations for Pittsburg-based Vision Benefits of America.

Hirko encourages brokers to take more than a cursory look at network composition. A big network might mean the company pays providers more, which could translate to higher premiums for employers and individual workers. Another reason one carrier might have a large network is because they could be the biggest carrier around. Providers might not be able to justify opting out, given a specific carrier's dominance in a territory.

Networks are "certainly a primary criteria," for brokers when evaluating different plans, according to Hirko. He adds that price is always a factor, too.

He recommends brokers take a closer look at cost-containment and cost-sharing, understanding the differences between the two.

"Sometimes a carrier will put a high co-pay into an account, and that switches some of the cost from the client who would normally pay for the benefit to the employee who now would

pay the co-pays, which lowers the price. That's not real cost containment, that's just shifting costs from the employer to the employee," Hirko says.

Finally, he says to look at the carrier's business structure and underwriting practices. Hirko highlights how VBA's nonprofit status helps the company keep its focus squarely on its clients.

"We do not have to have a large bottom line. Any bottom line that we might have at the end of the year will go back to the client by way of increased benefits or price reductions. We unilaterally will have price reductions if a client is in a surplus situation," according to Hirko.

Many folks just don't see it...

Despite near constant reminding of the connection between eye health and overall health, many in the human resources and employee benefits markets still don't understand the linkage, according to several industry surveys.

97% of HR professionals associate getting an eye exam with getting a new lens prescription, but only 60% associate an eye exam with diagnosing diseases not affecting the eyes. (HR.com, 2007)

80% of consumers associate an eye exam with getting a new lens prescription, only 24% associate it with diagnosing systemic diseases. (Transitions Healthy Sight Survey, 2007)

91% of HR professionals mentioned damage to the skin as a potential harmful effect of extended exposure to the sun, but only 39% mentioned damage to the eyes. (HR.com)

31% of Americans are aware that medications can affect eyesight. (Transitions Healthy Sight Survey, 2009)

Nearly 4 in 10 HR professionals never talk about vision benefits with their employees. (HR.com, 2007)

While more than 8 out of 10 consumers say a vision plan is important to them, only 6 out of 10 consumers say they feel knowledgeable about a vision plan. (Jobson, 2008)