



Vision Insurance Requests On The Rise

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Today's economy has changed the workplace in a variety of ways. For instance, Human Resources Executives have gone from stage right to center stage with the spotlight glaring down on you. Now, more than ever before, there is a heightened expectation for HR Executives to recruit and retain the best talent, keep morale high and productivity even higher. One way to do so is to ensure that employees are both happy and healthy.

Benefit offerings are a key component to successfully performing the tasks listed above, but are offering health insurance and a 401K plan enough? According to the 2008 Workplace Forecast by the Society for Human Resource Management, nearly 60% of employees identified benefits as "very important" in a list of the most important factors in employee satisfaction. With that said, have you considered voluntary benefits? Group dental, vision, critical illness, life and disability products are just a few added benefits you can offer your employees as a supplement to their existing health insurance.

Take vision insurance, for example. Vision benefits not only allow employers to maintain employee health and productivity at a reasonable cost, but also allow employers and HR Executives to maintain a high level of employee satisfaction and productivity. They are increasingly becoming one of the most requested benefit products by employees.

Vision benefits play a significant role in an employee's overall health. A routine eye exam performed by an optometrist can identify signs of glaucoma, diabetes, high blood pressure and even brain tumors. Early detection of diseases, in the end, saves on overall medical care and expenses. Without a vision plan, the out-of-pocket expenses for eye exams can often leave a strain on an individual's or family's finances. Luckily, cost-effective vision plans are available and generally cover everyone in an immediate family. When employers and/or employees take the time to analyze the costs and benefits of such plans, the potential to save \$2 for every dollar spent on premium becomes clear.

But is there a need?

Definitely. Vision problems are the second most prevalent health problem in the country today, affecting more than 120 million people nationwide. Approximately 168.5 million U.S. residents use vision correction such as eyeglasses or contact lenses, representing 75 percent of the country's total adult population according to VisionWatch. The demand for vision insurance has increased dramatically over the past several years. In the marketplace today, it is one of the most highly sought after benefits by employees.

For today's workforce, daily computer use, stress-related issues, and extended work hours have all led to increased vision problems.¹ Nearly 90% of those who use a computer for at least 3 hours a day suffer from vision problems associated with computer eye strain, according to the Vision Council of America. The Council also reports that vision disorders can account for more than \$8 billion in lost productivity, and that employers can potentially gain \$7 in increased productivity for every \$1 spent on vision insurance. Moreover, if vision disorders go undetected they can decrease employee performance by as much as 20%, annually.

Okay, so there is a need for vision insurance. Now, how do you go about getting it for your employees?

The first thing employers considering a vision plan should determine is whether or not it will be an employer sponsored plan. If an employer can not afford to pay for the coverage, voluntary benefits are an easy and inexpensive way for companies to continue offering a strong portfolio of products. Voluntary benefits are offered by employers but are paid for by the employees at a lower rate than if individually purchased. Premiums for many voluntary products can be funded with pre-tax payroll dollars, which make the plans quite worthwhile for both members and employers. A strong incentive for employers in the voluntary arena is they are not required to contribute to the monthly premium costs. Rates can be based on the number of employees who choose to enroll, and employers may elect to offset a portion of the cost for the employees or not pay any portion at all. Rates may also be reduced as participation in the plan increases.

Employers should next figure out who they are going to work with to provide vision insurance. There are numerous insurance providers from whom employers can purchase the benefits. Employers should identify a carrier that will provide straightforward information quickly. Ideally, employers will have access to a representative on the ground who can come to the office when necessary. However, if that's not possible, employers should make sure they are able to communicate in other ways such as group meetings, online or through call centers.

Once employers have decided on a carrier, they should determine exactly what type of vision plan they will offer. Most plans can be customized to fit the needs of the employee group.

What can you expect in a fully insured vision insurance plan?

Vision plans typically cover routine eye examinations, as well as eyeglass frames and/or lenses. Members can choose whether or not they want contact lenses or glasses during a given year. Annual voluntary vision premiums for an employee typically range from \$84 to \$100. In some plans, refractive surgery, LASIK, and PRK are part of the benefit package and are available to the enrollee at a discount. In many cases, if an employee simply gets an annual eye exam, they are already on their way to a solid return on their investment.

Plans include allowances for common optical materials, such as frames and lenses. Generally speaking, frame allowances range from \$100-\$150. Realizing that every plan is different, if an enrollee chooses to use contact lenses instead of actual frames, allowances can be made for contact lenses that range from \$100-\$150. Employers can also choose to include other types of eyewear products such as progressive lenses, anti-reflective coating, and other features.

Plans typically include participating provider networks which can consist of retail stores, independent doctors, or a blend of both. The more flexible a plan and provider panel, the more options the member has to handle their vision needs.

Finally, it is increasingly important for HR Executives to educate employees on their benefit offerings to ensure that they are taking full advantage of what is being offered to them and understand the value of the benefits.

Most insurance carriers will offer enrollment support services including a representative's presence at enrollment meetings to help employees understand the offerings. Other services such as preparation of pre-filled enrollment materials with employee information and electronic enrollment options may be offered, both of which facilitate higher levels of participation, thus reducing the overall cost for employer and/or employees.

Vision plans are an easy way to guarantee your standing ovation as an HR Executive and keep both employers and employees happy and healthy. Preventative benefits like vision insurance can have a significant impact on quality of life and medical costs. With a record number of people needing access to vision care services, it is easy to see why more employers than ever are choosing to offer vision insurance.

1Vision Council of America

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