Embracing Optometry and Vision Plans: Creating a Successful MD/OD Business Model Part 2

Disclosure of Financial Interest

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Financial Interest: Vision Associates Inc. is a privately held consulting firm who provides consulting services for various medical specialties including all primary and ancillary interest related to the practice of ophthalmology.

Objectives

- Understanding the difference
- Appointment Scheduling
- Medical Eye Exams vs Vision Exams
- Vision Plans, “the best of the worst”
- Average Revenue per plan
- Vision Billing and EOBs in optical

Scheduling appointments

“What is your primary reason for this Eye Exam?”

“I have diabetes”
   “I need new glasses/contacts”
“I have dry eyes”
   “I get a free annual exam with my insurance”

Scheduling appointments

- Patient screening at appointment scheduling is critical
- Determine Vision Plan AND Medical Plan
- Many Medical Plans have a “hidden” Vision rider
  - Aetna/Eye Med
  - BCBS/Spectera
  - Cigna/VSP or Eye Med
- Depending on reason for exam, appointment scheduler can briefly explain coverage
- OD Scheduling
  - Patient has both but is diabetic
  - Patient has both but talks about needing their glasses updated
**FINAL SCHEDULING SCRIPT**

Insurance coverage for eye exams varies. Some plans only cover routine, well eye exams. Other plans will not pay for your exam unless you have a medical eye condition or disease. Some plans require a referral from your primary care physician. We do our best to determine coverage before your exam but be sure to check your policy(s) to determine your coverage prior to your appointment.

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**Check in**

- Gather insurance information
- Pull vision coverage information
- Review reason for visit
- Explain which insurance will likely cover today’s visit
- Introduce Optical
- Avoid the “Check out Trap”

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**Most patients do not understand their coverage**

- They expect you to be the expert
- Many patients expect a “free” eye exam
- Nearly 50% of the population has some Vision coverage

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**An Eye Exam is an Eye Exam, Right?**

**Medical Exam**

This is a medically necessary comprehensive examination for the diagnosis and treatment of diseases and conditions of the eye. This exam evaluates the reasons for the symptoms and assesses any medical treatment needed. Some conditions evaluated with medical eye exams include cataracts, glaucoma, diabetic retinopathy, macular degeneration and many other potentially sight-threatening diseases.

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**An Eye Exam is an Eye Exam, Right?**

Most patients will have a refraction done during either type of exam. A refraction is a diagnostic test used to determine your best corrected vision. For many medical conditions a refraction is needed even when eyeglasses are not prescribed. The majority of insurance companies do not cover this procedure. The refraction fee of $XX.00 is in addition to your co-pays.
Do major medical plans cover routine eye exams?

- Rarely. Review the plan policy carefully.
- Many today, especially Medicare replacements, include a benefit for routine vision exams in conjunction with a Vision Carrier
  - Aetna/Eye Med
  - BCBS/Spectera
  - Cigna/VSP or Eye Med

Best practices

- Use Vision Benefits
- Chief Complaint, need new glasses/CLs
- Schedule Vision Plan patients with OD first
- Refer to MD or Return to Clinic for Medical Evaluation

Vision Plans

- Which Vision Plans should I accept?
  - None??
  - Start with ONE
    - Some carriers not accepting new providers
  - Maximize any vision plan you accept!
  - Always pull benefit information

Benefit Frequency

- Once every 12-24 months
  - Well Vision Exam
  - Frames
  - Eyeglass Lenses
  - Contact Lenses**

Capitalizing on vision benefits

- The “Check Out Trap”

“Best” vision plans

- Medicare
- VSP
- Eye Med
Medicare DME Eyewear: The NON-Vision Plan

- Roughly 20% discount overall
- Post op Cataract or Aphakia
- Average collected revenue $342.18
- All overages patient responsibility @U&C
- ABN, Supplier Standards, Proof of Delivery

Analyzing Vision Plan Optical reimbursement

- 3 months of data
- DO include: Everything the patients buy during their visits, even out-of-pocket items like multiple pairs
- DON'T include: Services billed to medical insurance
- Total fees collected - cost of goods (COG) = gross profit

Vision Service plan

- $194.17 average net revenue (collected revenue-COG)
- Freedom of choice
- Capped options list
- Contract laboratories
- Some proprietary products and labs plans

VSP

- $238.46 Average net revenue (collected revenue-COG)
- Contract Laboratories
- Freedom of Choice
- Capped options list

Eye MED

- $238.46 Average net revenue (collected revenue-COG)
- Contract Laboratories
- Freedom of Choice
- Capped options list

OTHER Vision Plans

- Davis $96.12
- Spectera $105.59
- Superior $135.16
- March Vision $33.04
- Proprietary Laboratories and Materials
- Specified Frame Selections, upgrade not always available