Third Party Center Update
Presentation to Presidents Council

San Francisco, CA
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TPC Executive Committee

• Mark Hennen, OD – Chair (MN)
• Rick Cornett, Exec. Dir. (OH)
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• Dave Redman, OD (CA)
• Harvey Richman, OD (NJ)
• Rebecca Wartman, OD (NC)
• Maureen West, Director
  30 years in health care business development, sales & marketing:
  – 5 health plans (group, staff, IPA and Medicare Advantage)
    • Community Health Plan (NY, MA and VT)
    • Kaiser Permanente Northeast (NY, MA, CT and VT)
    • Kaiser Permanente Southwest (Dallas/Fort Worth; sold to Sierra; now United)
    • M-Care (University of Michigan’s HMO; sold to BC)
    • BCBS of Florida
    • Senior Whole Health (greater Boston Medicare Advantage Special Needs Plan for dual eligible's)
  – Complementary & Alternative Medicine Centers and Wellness Programs
History of ECBC – Precursor of TPC

• Added ODs to provider panels and ERISA plans that impacted access to 44 million people
• Health insurance trends quarterly report
• Presentation, Playbook, FAQs
Third Party Center
AOA moves to help ODs
gain access, cope with plans
Original Mission Statement for the AOA Third Party Center
Approved by AOA Trustees Fall 2008

• TO ADVOCATE FOR MEMBER OPTOMETRISTS IN THE ARENA OF MANAGED CARE

• TO EDUCATE MEMBERS, POLICY MAKERS, LEGISLATORS, AND THIRD PARTY PAYORS; AND

• TO FACILITATE CHANGES TO PROMOTE THE MUTUAL BENEFITS OF QUALITY EYE AND VISION CARE; AND

• TO IMPLEMENT THE APPROPRIATE MEANS BY WHICH SUCH CARE CAN BE FAIRLY AND SUITABLY PROVIDED INCLUDING NEGOTIATION, LEGISLATION, LITIGATION AND ENFORCEMENT OF EXISTING LAWS
Desired Outcomes of AOA TPC
Planning Group Recommendations Fall 2008

- Optometry is recognized as primary care entry point for eye care for all third party products
- Vision care is fully integrated as a core health care benefit
- Vision care is accepted as key element of core definition of primary care by CMS, HRSA, Private Health Plans and Insurers (collaboration with AOA Advocacy and FRC)
- All participation and payment discrimination of optometry is eliminated
- Patients, Brokers and Employer Groups all become advocates for value of quality vision and eye care
Strategic Plan Drivers

- Discrimination, Discrimination, Discrimination
- Disjointed health care
  - Billing vision and medical plans
    - What if you’re not on the Medical Plan?
    - Patient experiences confusion and different reimbursement arrangements – Why?
  - ODs need to be part of total patient care
- Coding and documentation to maximize reimbursement
Strategic Plan Drivers

• Changing landscape of Health Care
  – Vision Plan fee reductions or no increases
  – Vision Plans advanced their business model at ODs expense
  – Employer involvement
  – Health insurance and care reform
Vision Plans have historically segregated ODs to the land of refractive care and dispensing of eyeglasses/contact lens.

Conventional health insurance favored MDs as providers of medical eye care – diagnosis and treatment of eye diseases.
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
Strategic Goal - Inclusion

1. Inclusion in all medical insurance and ERISA plans related to:
   – Ensure provider panel participation
   – Receive identical fee schedule reimbursement
   – Practice to full scope of state license
   – Allow access to medical plan participation without the requirement of vision plan participation
2. Mainstream preventive / wellness eye examination into all medical insurance plans (in accordance with CPT definitions)
   – Integrated benefits enables integrated care
   – Follow-up and continuity of care with Primary Care and Specialty Care Physicians
   – Systemic disease diagnosis and management, especially diabetes, resonates with purchasers
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.
TPC Advocacy Goals

• To advocate and educate the third party payers and purchasers about the value of optometry (scope of practice, etc.)
  – Enable them to make more effective decisions about improving the health and productivity of the lives they cover
  – Demonstrate the effective role of optometry in overall patient care through relationship building, documentation and communication with primary care physicians and specialists

• Supports Value-Based Purchasing
TPC Education Goals

• Educate our members on how to gain provider panel participation to all types of health insurance plans
• Educate our members on evaluating contracts so they make profitable business decisions
• Establish a resource for members when a plan says “no” to joining the network – within the state and/or best practices from other states
• Educate our members on correct coding and documentation to maximize reimbursement, prepare for audits and e-Health initiatives
New Mexico Best Practice

• Lovelace Health Plan cancels contracts with ODs / Requires contract through VSP
  – OMDs can handle all eye care “no big deal”
  – Optometry Act not strong enough to counter
• AOA TPC and NMOA strategically working together
  – In person meeting with NMOA leadership and Lovelace decision makers
  – Reverse the decision; NMOA now at the future table of how Lovelace will work with VSP
Maximize Reimbursement Tool

The 2010 “Codes for Optometry” – the AOA’s comprehensive coding and billing manual for optometric practices – is now available in a new, searchable CD-ROM format.

Contact the AOA Order Department online at http://aoa.webprint.com or by calling 800-262-2210
Who We Need to Influence - External

- Health Insurance Plans – all product lines
- Self-Insured Employers
- Business Coalitions (some are buyer coalitions)
- Union Trust Funds (Taft-Hartley)
- Benefit Consultants and Brokers
- Third Party Administrators (TPAs)
- Preferred Provider Organizations (PPOs)
- Vision Plans
- Government Programs (Medicare and Medicaid)
Market-Based Opportunities

• Trend is for employers to take the initiative of improving health
• Employers use Benefit Consultants and Brokers
• Business Coalitions are driving Value-Based Purchasing and are a receptive group for telling the optometry value story
• AOA is a member of National Business Coalition on Health (NBCH) Leadership Council
• Community Health Partnerships – funded by CDC
HEDIS

• OPPORTUNITY to make a positive impact on patient care and make positive impression with purchasers
  – Dilated retinal exams for diabetics
    • Only 50% of Cigna patient records currently have documented exam annually
    • ADA 2010 Standards of Care maintains eye exam vs. retinal photography screening
State TP Committees

- State Coordinator working with a state committee of third party experts yields the greatest success to eliminate discrimination
- Meet proactively with health plan decision makers
- Best Practice States: Iowa, Minnesota, Nebraska, Washington
- Develop relationships with Employer Health Care Coalitions
State Coordinator Program

• Assess needs related to AOA’s goals in targeted groups (each TPC EC member is liaison to 5-6 states)
• Two conference calls between now and spring planning
• Develop plan for working together to resolve issue
Call to Action

- Evaluate Third Party structure in State
- Update or perform SWOT Analysis
  - Internal: Strengths, Weaknesses
  - External: Opportunities and Threats
- Build relationships
  - Primary & Specialty Physicians
  - Medical directors, provider network managers and CFOs of all health plans
Call to Action

• Get involved in your local business coalition (could be several in each state)
  – Attend their annual meeting
  – Determine their primary objectives
  – Consider being a speaker at meetings

• JOIN your coalition – today!

• TPC Executive Committee Member and Staff will work with you to develop and implement a plan

• Attend SGRC/TPC Joint Conference in October
Comprehensive, coordinated, high quality eye and vision care for ALL

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