

TOP TRENDS FOR EYE CARE PRACTICES IN THE NEW ERA

Risks, strategies, and opportunities

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INTRODUCTION

Trends such as the emergence of disruptive market players, an increase in merger and acquisition activity, and the introduction of virtual visits are changing the practice of eye care. COVID-19 was a watershed event for the healthcare industry—ophthalmic practice included.

Eye care providers demonstrated adaptability and flexibility in the midst of the pandemic, but the future remains uncertain. As with all times of change, there are new risks and new opportunities.

This e-book examines eye care trends from four perspectives:

1. The ophthalmic marketplace
2. The patient's expectations
3. Changes to the clinical model
4. Changes to the business of eye care

Understanding your risks and opportunities in these different contexts can help you refine your strategy and achieve your goals.

“After all, eye care practices are driven by providers and staff, so it’s important to have a system that can be modified to keep them happy.”

Karine Grigoryeva,

Clinical Systems Administrator,
SUNY College of Optometry

THE OPHTHALMIC MARKETPLACE

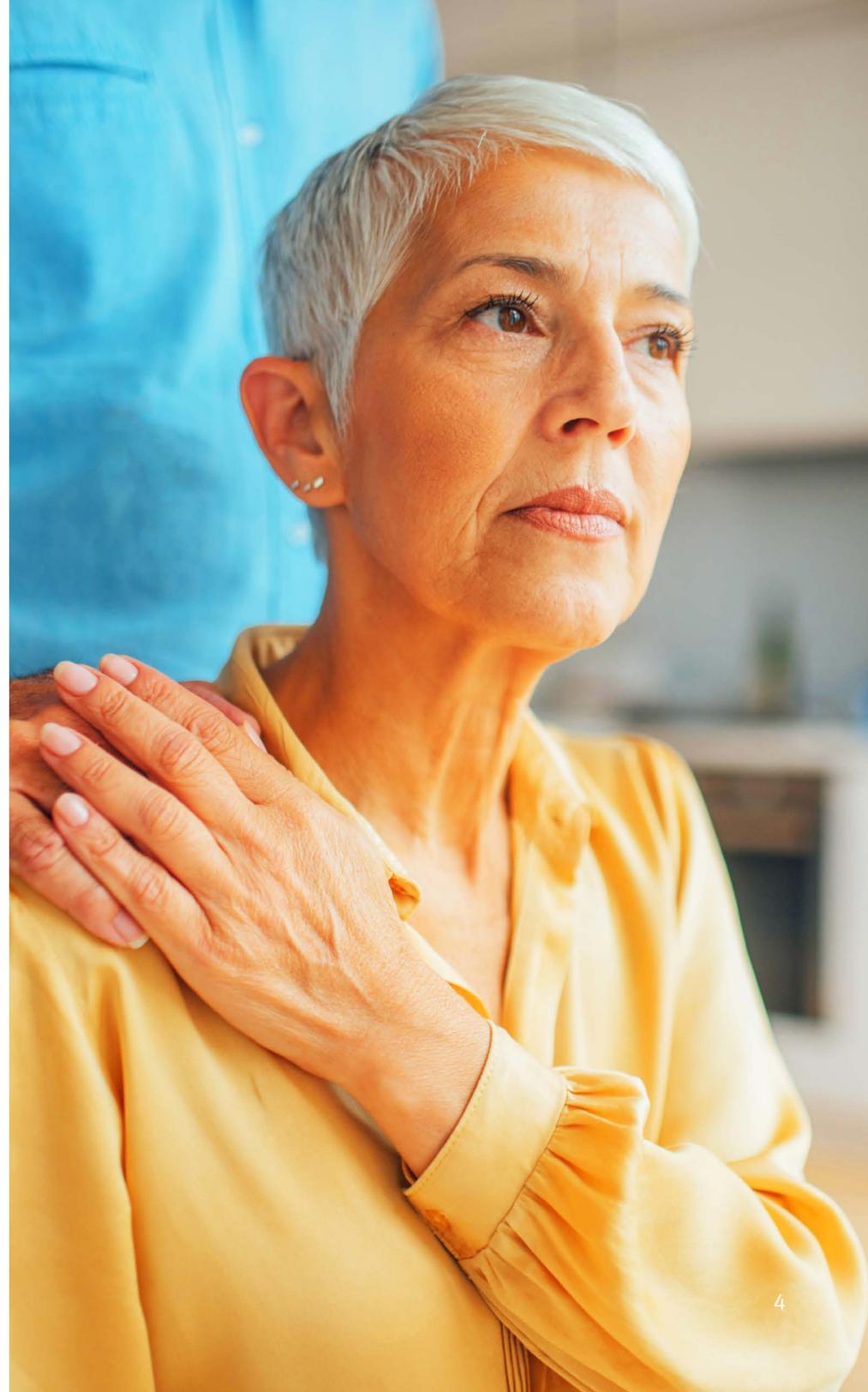
The great resignation and eye care

Challenges in recruiting and retaining qualified support staff continue to burden eye care practices.

Working with a skeleton crew can contribute to physician burnout and other factors that impede care delivery. This particularly resonates with eye care practitioners facing the growing demands of an aging patient population.

Besides affecting clinical care, there is a financial impact as well. As more compensation and benefits make it critical to employ skilled ophthalmic staff, the income for eye care practitioners and practice owners could be reduced.¹

Whether this is a short-term trend, fallout from the pandemic, or something that will affect practices for many years to come, you'll need to develop a strategy focusing on your work environment, in-house training, and recruitment efforts.²



Competition from disruptive entrants

The eye care market is impacted by multiple factors, including the emergence of disruptive new options such as online optical shops and pop-ups within big-revenue, big-inventory stores like Target and Walmart.

Some of these now offer walk-in exams, which places the burden to compete on traditional eye care providers, especially optometrists. Millennials and other younger shoppers gravitate to the convenience of these types of easy, no-appointment-necessary, shopping experiences.

Position yourself for success and sustainability

The efficiency and effectiveness of both clinical and business processes will drive success in this brave new world. Changes to payment codes, and the challenge of managing the intricacies of payer billing and documentation requirements, means **effective revenue cycle management** will become both more complex and more critical.

While the core of many eye care practices' value proposition is focused on patient care, now is the time to think carefully about outsourcing complex and rapidly evolving administrative functions. You can't afford to have those functions distract you from strengthening your core value. At the same time, you need to not only keep up, but stay ahead of the constantly changing benefit structures in reimbursement.



The future of ophthalmic care will be different from the current landscape, and those who cannot adapt to the medical and economic changes may have difficulty practicing in this ever-changing industry.³

Impact of the Affordable Care Act on eye care

The Affordable Care Act (ACA) created the opportunity for states to **expand Medicaid**² to cover nearly all low-income Americans under 65. With an effective date of January 2014, the ACA includes pediatric vision care as essential coverage for children. This means that the ACA covers children under the age of 19 for eye exams, vision screening, and glasses or contacts lenses needed to correct vision.

Until children turn 19, vision screening is covered under the Affordable Care Act at no charge, because it's considered preventive care. However, vision screening isn't synonymous with an eye exam. A pediatrician or family physician can perform vision screening, which can detect whether a more comprehensive exam is warranted. With the ACA, eye care other than vision screening can require copays, or may be counted toward a deductible or require coinsurance.

For adults, the ACA doesn't mandate vision care coverage and health plans aren't required to offer adult vision coverage in their benefits. However, employers that offer health insurance frequently do offer vision coverage also, so it's important that eye care patients understand the details of employer-provided benefits.

Individuals are free to purchase standalone vision plans, though in the states that allow vision plan purchases through an ACA exchange, the cost can't be offset by premium subsidies.

All plans in the Health Insurance Marketplace[®] include vision coverage for children. Only some plans include vision coverage for adults.⁴





The growth of the vision insurance industry

The vision care market is estimated to reach \$237.05 billion by 2030. In addition to eyeglasses as a fashion accessory, market trends will be influenced by vision care, such as treating eye disorders and diseases—particularly among increasingly aging populations.⁵

On the average between 2018 and 2023, the market size of the vision insurance industry in U.S. has grown 1.4% per year.⁶ As of 2023, there are 242 vision insurance companies—an increase of 4% from 2022.⁷

TAKEAWAYS

Healthcare Marketplace

- Recent events made it clear that, like other sectors of the economy, the business of eye care is vulnerable to economic forces
- Disruptive market entrants will continue to increase competition
- A robust business continuity strategy is essential for a thriving practice
- Vision screen is covered under the Affordable Care Act while eye exams are not
- The vision insurance industry shows signs of continued growth

THE PATIENT'S EXPECTATIONS

As consumers, patients appreciate the convenience and value of online services, and have grown to expect this same level of convenience from their eye care providers. Patient expectations extend to the waiting room as well, where they have less patience for long wait times.

To achieve practice efficiency and meet patient expectations, eye care practices should use an integrated patient engagement platform. An integrated patient engagement platform enables practices to offer their patients conveniences such as self-scheduling, secure messaging, and online payment.

Easy scheduling

A platform solution that integrates patient self-scheduling can make patients' lives easier, reducing hold times and allowing them to communicate at their convenience. Use an integrated patient engagement platform to deliver email or text reminders for all appointments and to empower patients to confirm, reschedule or cancel at the time of the text reminder.

More payment options

Overdue patient payments are a leading cause of aging A/R. Seamless payment options and friendly reminders give patients 24/7 flexibility to pay online, at home or from their smartphones.



Help patients stay connected

Enhance the provider/patient relationship by giving your eye care patients multiple ways to engage with staff, including patient portal, phone, email—even text messaging.

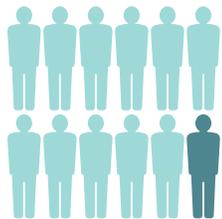
Simplify the patient experience

An integrated patient engagement platform helps maintain care continuity, keeping patients connected to your practice and empowering them to participate in their health. Simplify the patient experience and enable patients to:

- Schedule appointments and set up reminders online
- Use virtual visits to access their chosen provider
- Request prescription refills online and view their list of medications
- Communicate digitally 24/7 with providers on selected topics
- Access their dependents' accounts if parents and/or caregivers
- View past and upcoming appointments
- View their health record, including labs and test results
- Access educational resources

Patient engagement platforms help providers, too

Providers can easily access data from internal workflows, such as previous appointment details, pharmacy records and insurance information—while avoiding risks common to non-integrated solutions, such as duplicating appointments and charts. And, integrated solutions reduce the need to maintain multiple vendor relationships, while reducing costs and improving practice efficiency.



Nine out of ten patients will switch doctors if not offered a patient portal and self-scheduling.⁸

TAKEAWAYS Patient's Perspective

- Patients expect consumer-level convenience from eye care providers
- Providers should offer easy ways to pay bills, schedule appointments and stay connected
- An integrated patient engagement platform empowers providers to offer patients more convenience
- Integrated platforms benefit providers also, reducing cost and improving efficiency

CHANGES TO THE CLINICAL MODEL

An EHR in your pocket

With mobile technology, an ophthalmologist can easily pull up and review a patient's chart on their smartphone. It's all there at their fingertips—from previous histories and medications to any documents they may need to view. They can prescribe medications, reducing documentation burdens from working on a desktop.

Keep hands away from the EHR

Burnout among ophthalmologists can be eased when the need to touch the EHR is minimized—a breakaway from traditional clinical documentation. Mobile technology allows these specialists to take better control of their day.



“The ease of being on-call is a huge benefit. When a call comes in, instead of having to stop what I’m doing, find a computer and a Wi-Fi connection and log in, I can just look up what I need on my cellphone. I find the patient’s chart, determine what medications they’re on, order a refill, or answer the request as necessary.”

Sebastian B. Heersink, MD,

Cataract and Laser Refractive Surgeon and Cornea Specialist,
Eye Center South



Interoperability

To provide whole-patient care, medical professionals must work across specialties and locales, communicating immediately and easily. The mechanism by which they can transfer knowledge seamlessly is known as interoperability.

Interoperability connects different information technology systems through a national data exchange, allowing caregivers to work together despite organizational boundaries and physical distances. Communication is accelerated with the use of direct messaging.

For example, a rural patient might see a primary care physician about an ophthalmic issue. Interoperability is what enables the primary care physician to reach out to an eye care professional who is far away. The patient gets optimal care, and communication and information transfer is digital and therefore cost-efficient and quick. And, because information from multiple sources has been consolidated, caregivers are working from a single source of truth for that patient.

TAKEAWAYS

Clinical Model

- Mobile solutions can make an ophthalmologist's day easier
- Interoperability delivers better patient care because it enables eye care providers to work with a distributed care team easily and effectively
- Because it enables multiple caregivers to work from a single source of truth, interoperability is a key goal for eye care practice growth and sustainability

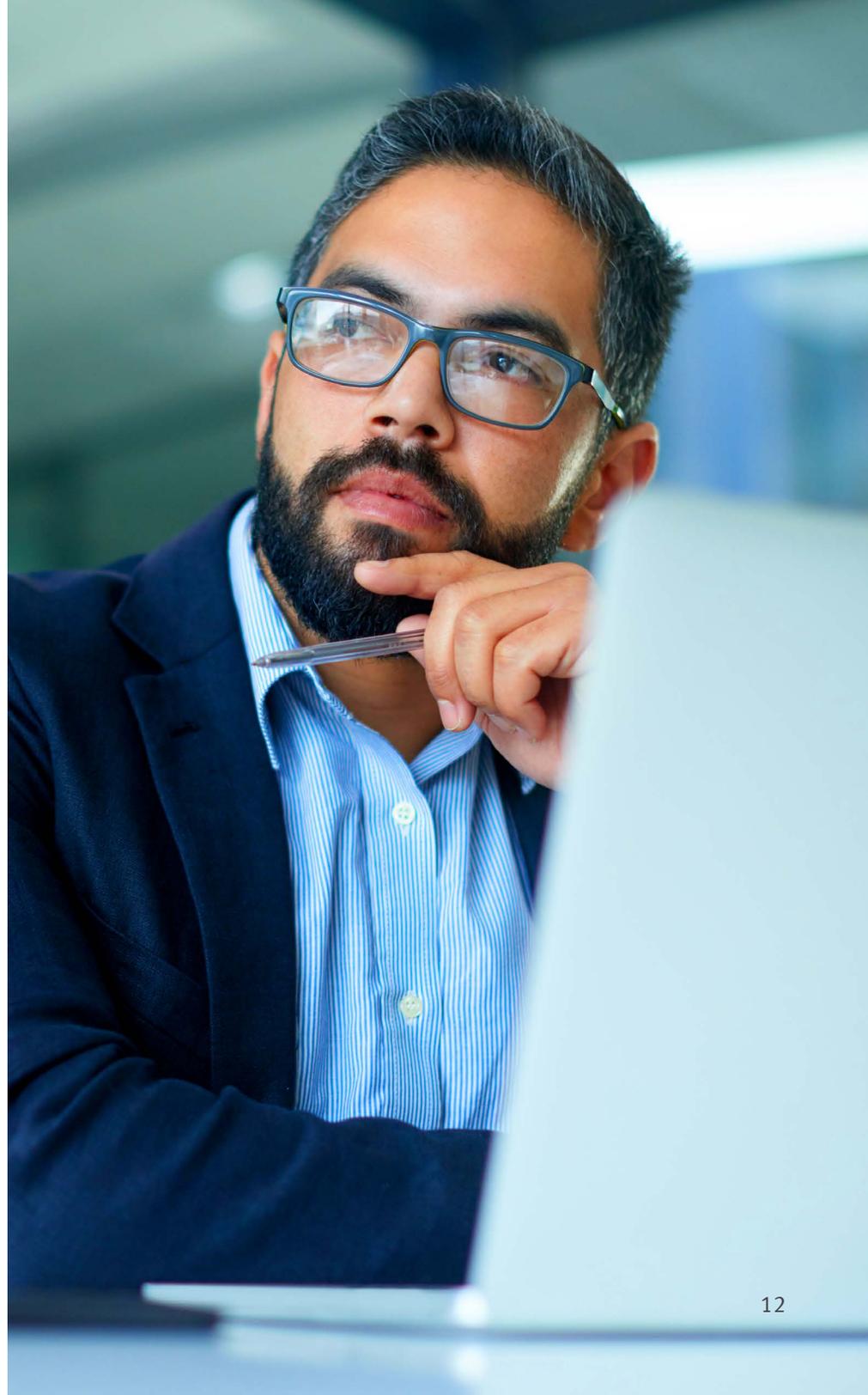
CHANGES TO THE BUSINESS OF EYE CARE

Solutions integration

More ophthalmic practices understand the efficiencies (and revenue) they can gain with an integrated platform that handles electronic health records (EHR) as well as practice management (PM). There are configurable, scalable solutions that work across ophthalmology and optometry practices, optical shops and ambulatory surgery centers. Some even offer mobile apps that enable hands-free, accurate documentation.

This type of integrated platform solution offers a direct path to improve both clinical and back-office efficiency, including streamlining workflows with ophthalmic- and optometric-specific clinical content. This ensures accurate communication between the two disciplines. You'll also be better able to track optical inventory and ensure prescription and billing accuracy, and integration with analytics gives you deeper insights into the financial health of your practice.

Leveraging seamless data exchange for easier referrals and effectively capturing charges and automating the creation of claims are additional benefits of a comprehensive platform solution, helping improve revenue cycle management and reduce claims denials. Patients benefit too, with state-of-the-art platform capabilities, including convenient check-in and billing options.



Mergers and acquisitions

Merger and acquisition activity continues with intensity. For an ophthalmology practice, becoming part of a private equity group can be a lucrative opportunity. However, to be considered a viable option for a merger or acquisition, your practice will be scrutinized for its ability to slash costs and maximize efficiency.

Each merger-and-acquisition opportunity is unique; there can be benefits, as well as drawbacks for private equity firms as well as practices. Utilizing an integrated, connected EHR and practice management solution can give your practice a competitive edge, and may help a practice look more attractive to potential buyers.

When patient eligibility and scheduling is connected to their electronic health records, when billing and collections is connected to claims submission and denials management, private equity firms take notice. They are more likely to look favorably upon a practice that achieves this kind of efficiency.

Strategy and infrastructure are vital for the future of eye care

These seismic shifts in the business environment demand a commitment to mission and vision—a thoughtful strategy that anticipates future needs.

The keys to success will include a management team that builds a culture and capability aligned around strategic imperatives focused on process improvement. Process improvement will be increasingly dependent on an integrated platform that supports complex workflows across a range of provided services, while also delivering the flexibility of office-based, virtual, and mobile encounters.⁹ When information is shared instead of repeated, workflows are more efficient and overall processes improve.

An integrated technology platform must also have the data and reporting capabilities to ensure success in managing quality and cost for cohorts of patients, even as it continues to support the complex needs of coding and billing for fee-for-service (FFS) revenue. Given the uncertainty and complexity of these challenges, guidance from a health IT vendor that serves **one out of five ophthalmology practices in the U.S.** can help you navigate the challenges and capitalize on the opportunities in the eye care industry.

TAKEAWAYS Business Model

- Financial pressure and revenue loss foretell provider consolidation, and merger and acquisition activity
- Now is the time to make sure you're ready for these changes via the guidance of a partner who is familiar with ophthalmology
- An integrated platform that handles both EHR and PM workflows will not only improve practice efficiency, it will also make your eye care practice more attractive to private equity firms
- To ensure strategy and platform alignment (including data and reporting), eye care practices should consider working with a partner who is with them every step of the way

BETTER STARTS HERE.

Contact us at 855-510-6398 or results@nextgen.com.

Choose a strategic partner to empower your transformation in the new era of healthcare.

NextGen Healthcare partners with eye care providers in their journey to transform ambulatory care. We go beyond EHR and practice management. Our integrated solutions help increase clinical productivity, enrich the patient experience, and ensure healthy financial outcomes. We believe in better.

1 Support staff shortage creates unprecedented situation for ophthalmic practices, Sept. 2022, Richard L. Lindstrom, MD, <https://www.healio.com/news/ophthalmology/20220919/support-staff-shortage-creates-unprecedented-situation-for-ophthalmic-practices> **2** The Staffing Shortage Conundrum, Sept. 2022, Jane Shuman, COT, OCS, <https://www.ophthalmologymanagement.com/issues/2022/september-2022/the-staffing-shortage-conundrum> **3** “Change is inevitable: Prepare for a challenging future in ophthalmology,” <https://www.healio.com/news/ophthalmology/20190409/change-is-inevitable-prepare-for-a-challenging-future-in-ophthalmology> **4** <https://www.healthcare.gov/glossary/vision-or-vision-coverage/> **5** Vision Care Market Size Worth USD 237 Billion by 2030 at 4.03% CAGR, Market Research Future, Aug. 22, 2022, <https://www.globenewswire.com/en/news-release/2022/08/11/2496395/0/en/Vision-Care-Market-Size-Worth-USD-237-Billion-by-2030-at-4-03-CAGR-Report-by-Market-Research-Future-MRFR.html> **6** <https://www.ibisworld.com/industry-statistics/market-size/vision-insurance-united-states>. **7** <https://www.ibisworld.com/industry-statistics/number-of-businesses/vision-insurance-united-states/> **8** Black Book Research, 2018 Patient Survey. **9** Top Trends for Ambulatory Practices in the New Era of Healthcare, NextGen Healthcare eBook

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