



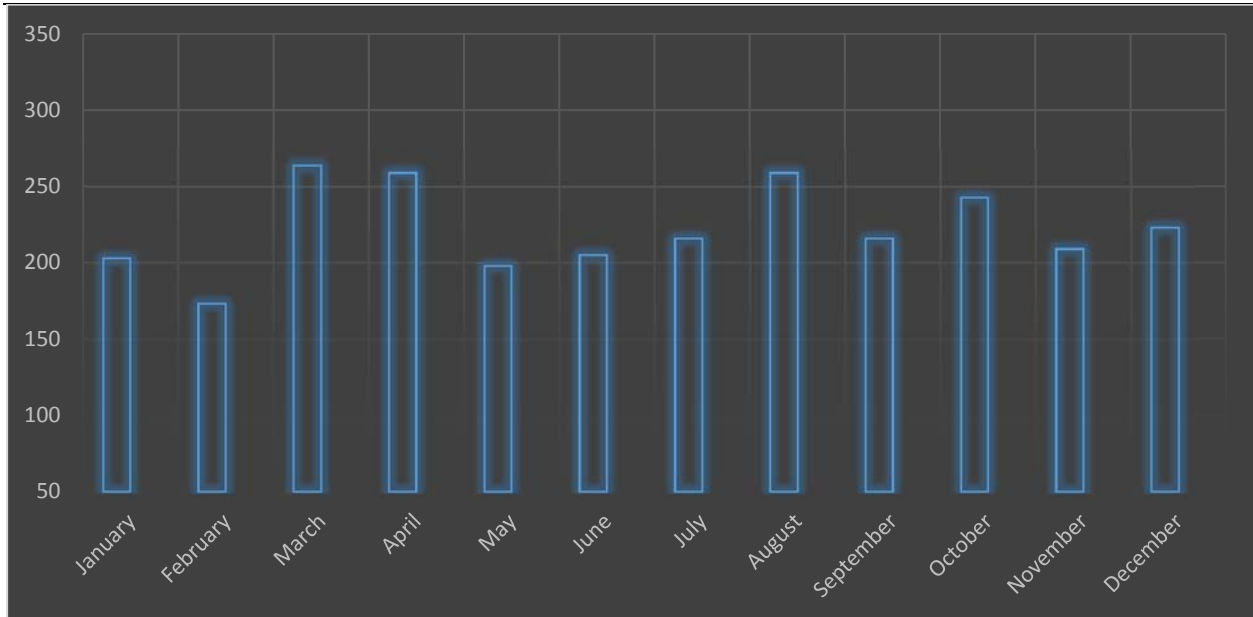
FELRA & UFCW Health and Welfare Fund
2018 Annual Report



ENCOUNTERS

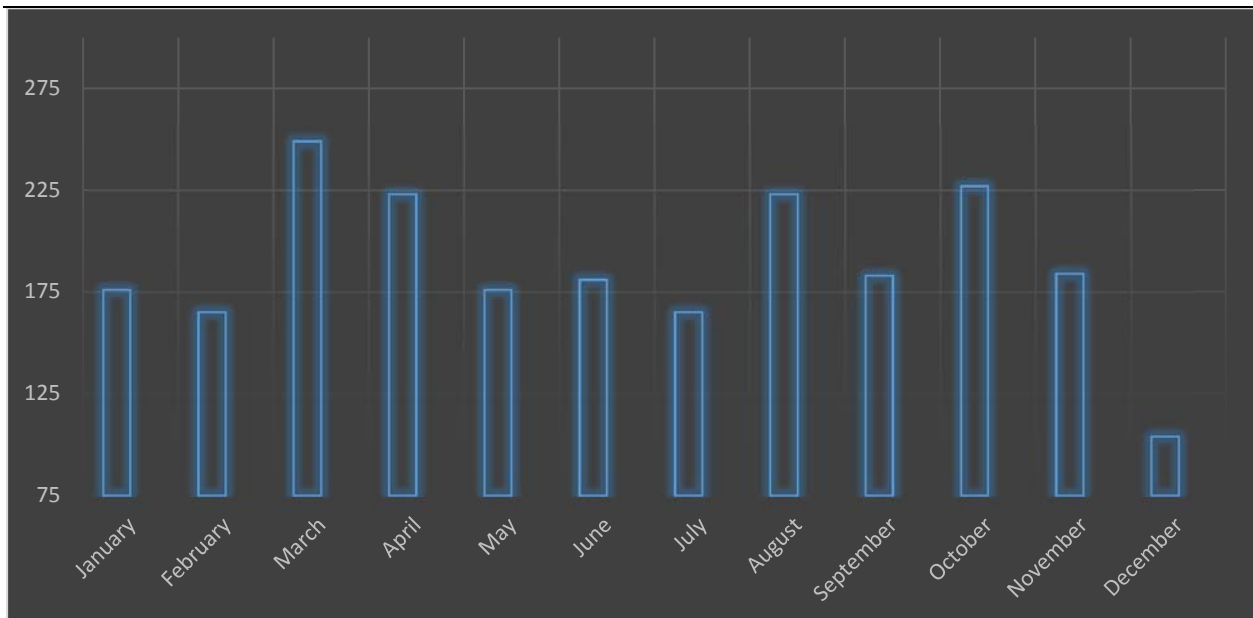


COMPREHENSIVE EYE EXAMINATION ENCOUNTERS



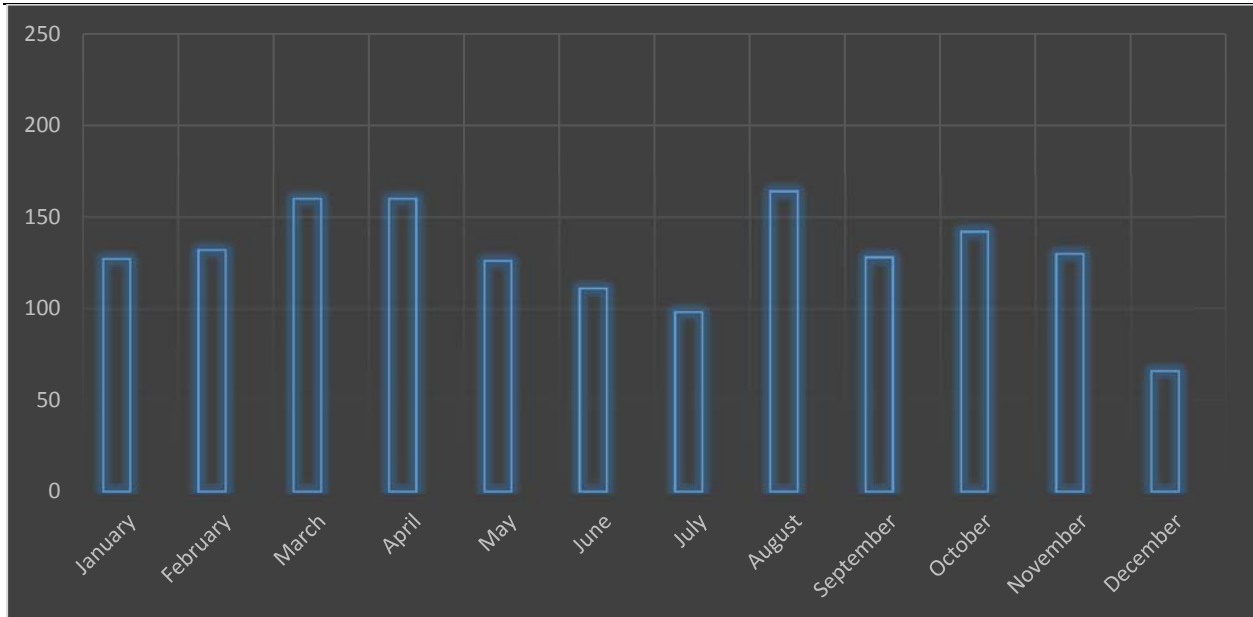
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	203	173	264	259	198	205	216	259	216	243	209	223

FRAME ENCOUNTERS

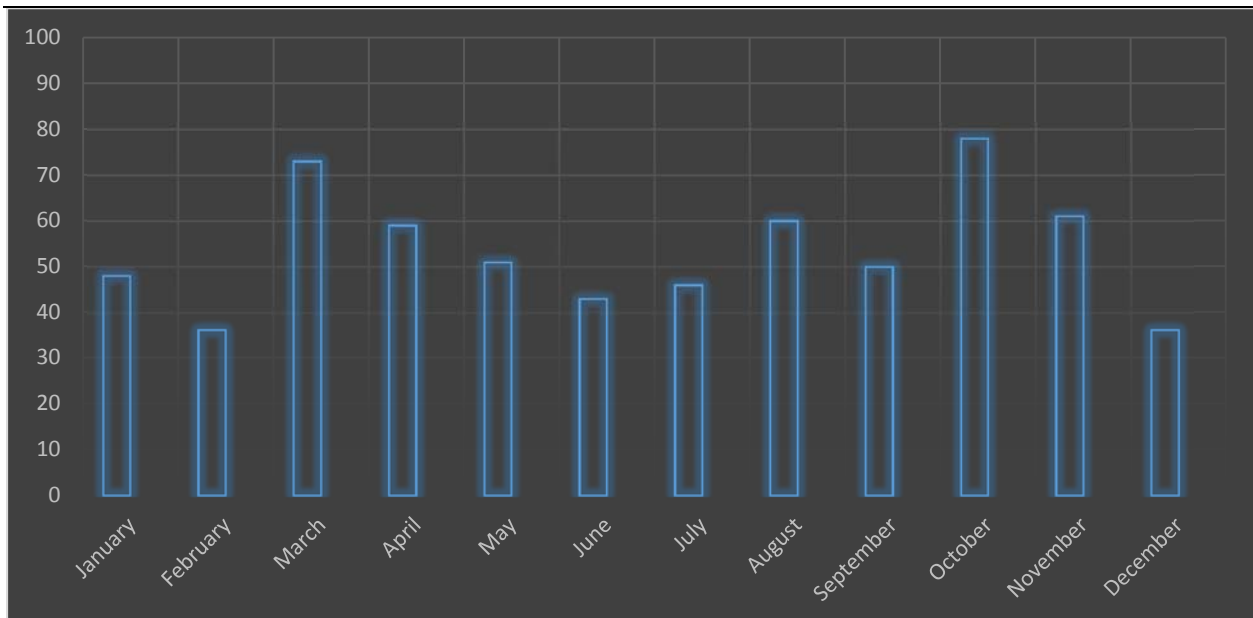


MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	176	165	249	223	176	181	165	223	183	227	184	104

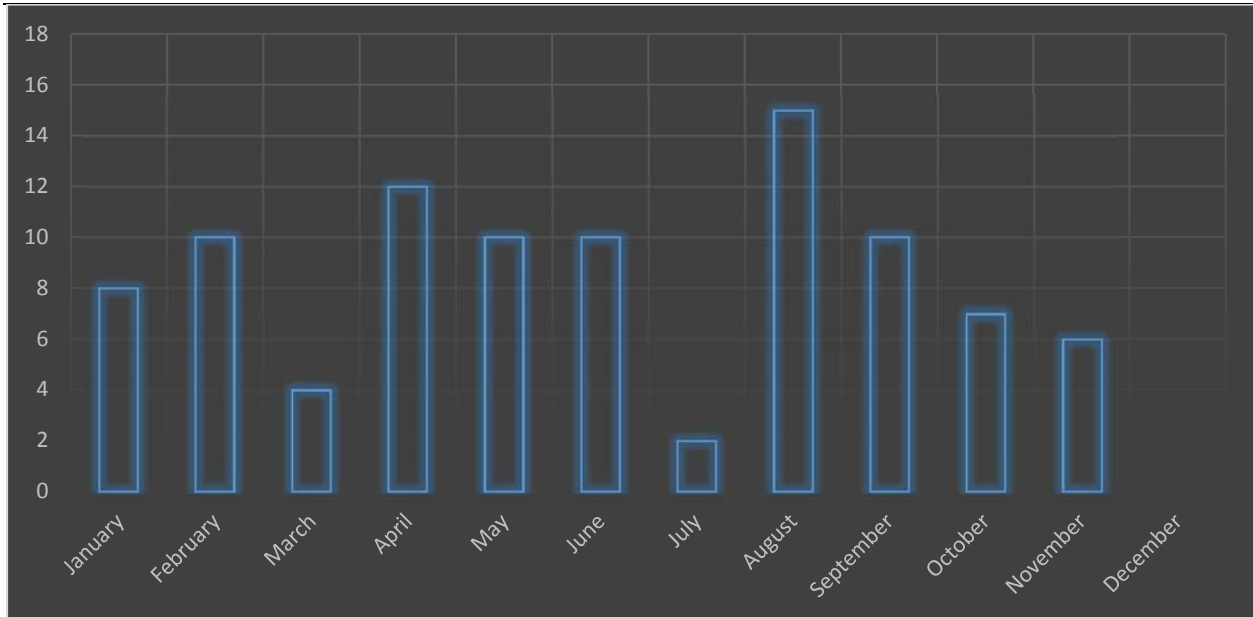
SINGLE LENS ENCOUNTERS



BIFOCAL LENS ENCOUNTERS

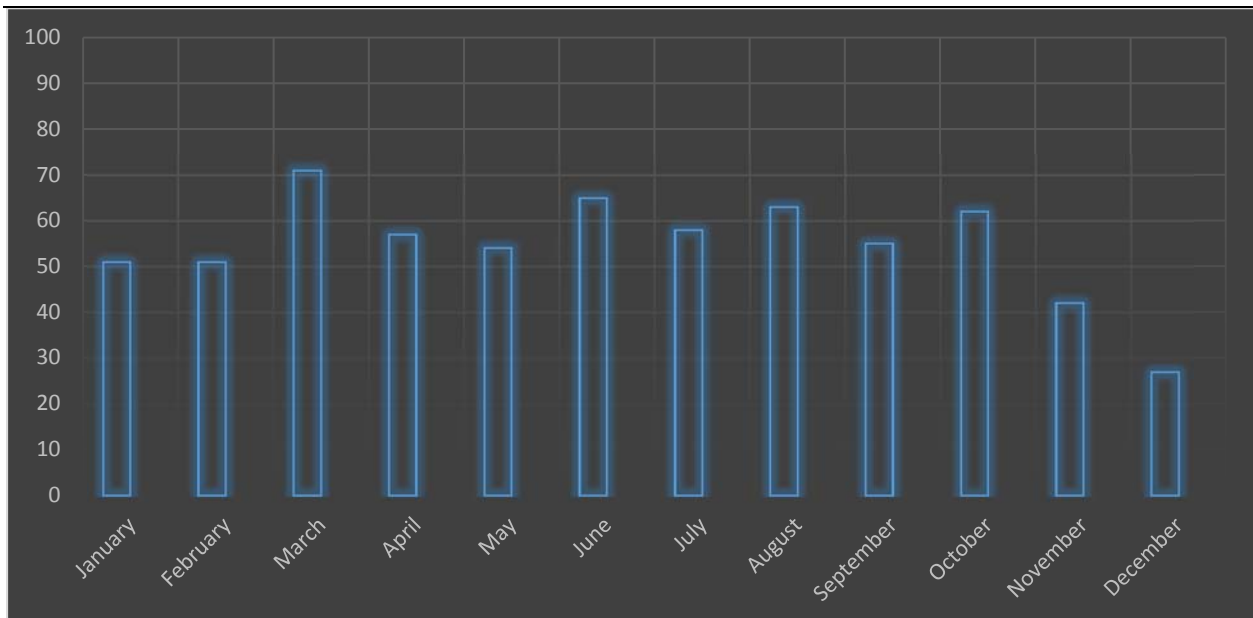


TRIFOCAL LENS ENCOUNTERS



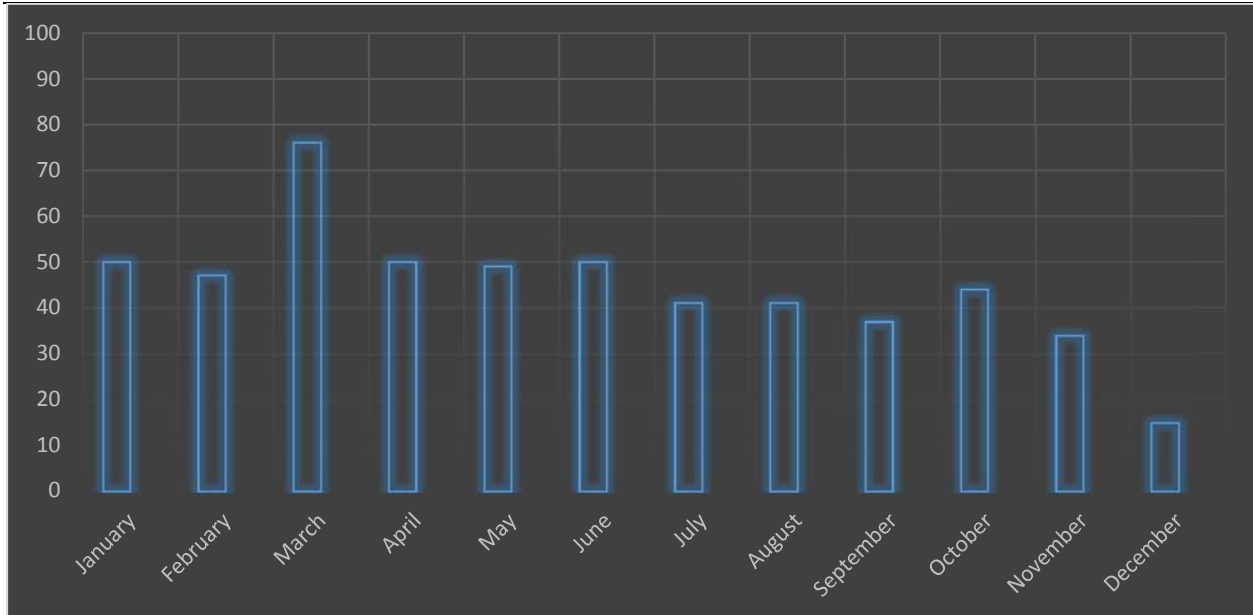
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	6	4	2	9	9	5	4	5	10	4	11	0

PROGRESSIVE LENS ENCOUNTERS



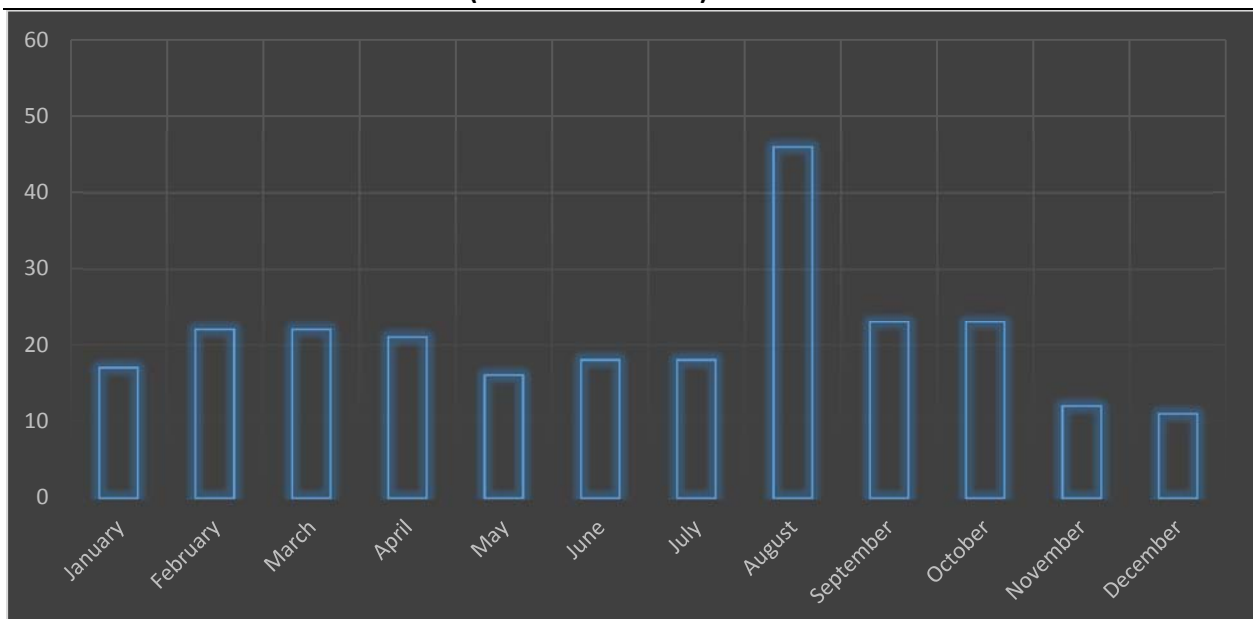
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	51	51	71	57	54	65	58	63	55	62	42	27

TRANSITIONS (PHOTOCHROMIC) LENS ENCOUNTERS



MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	47	55	60	54	38	47	40	120	68	50	46	18

POLYCARBONATE LENS ENCOUNTERS (DEPENDENT ONLY)



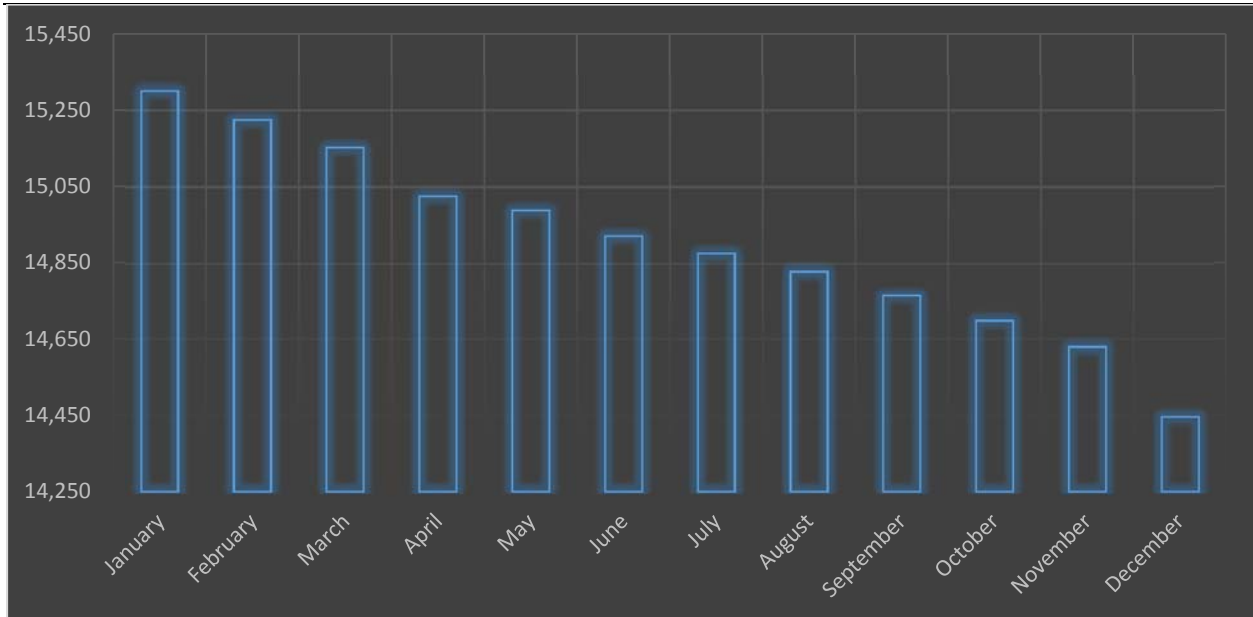
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ENCOUNTER	17	22	22	21	16	18	18	46	23	23	12	11



ENROLLMENT

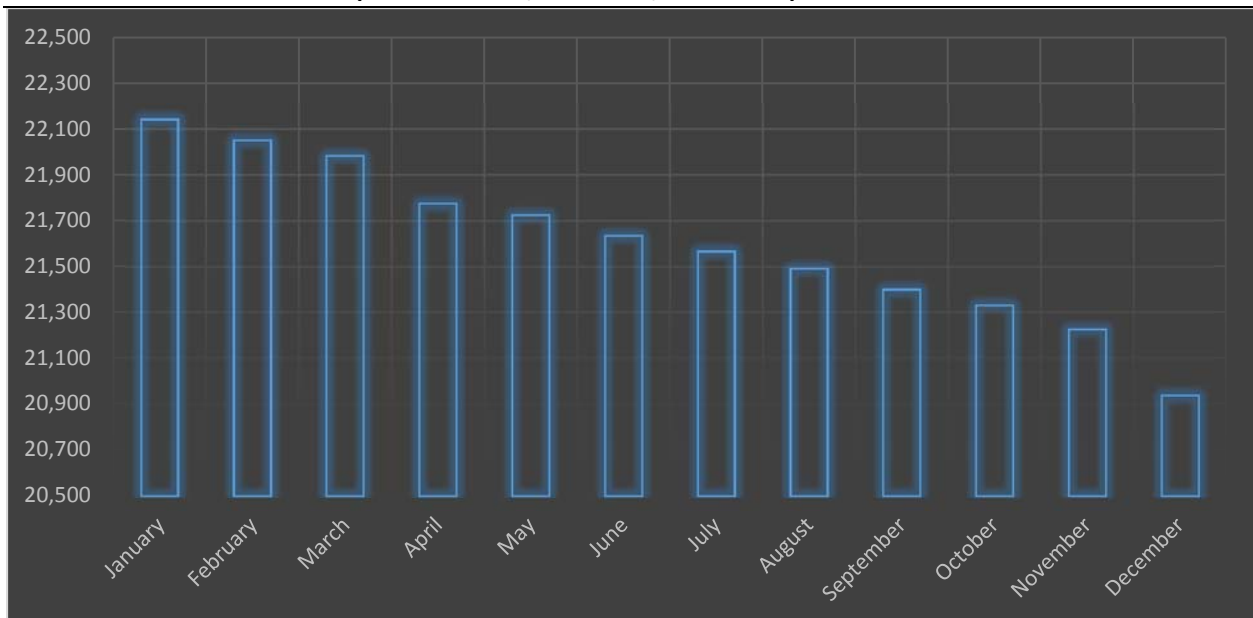


ENROLLMENT BY EMPLOYEES (SUBSCRIBERS)



MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
MEMBERS	15,300	15,225	15,152	15,026	14,989	14,922	14,877	14,829	14,765	14,698	14,629	14,447

ENROLLMENT BY MEMBERS (SUBSCRIBERS, SPOUSES, CHILDREN)



MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
MEMBERS	22,141	22,050	21,983	21,776	21,725	21,635	21,567	21,494	21,402	21,334	21,224	20,935



SAVINGS



ESTIMATED PLAN SAVINGS BY ENCOUNTER

2018 PLAN YEAR

SERVICE	ENCOUNTER	RETAIL COST	MEMBER COST (COPAYS)	MEMBER SAVINGS
Eye Exam	2,548	\$318,500	\$0	\$318,500
Frames	2,256	\$225,600	\$0	\$225,600
Single Lens	1,544	\$169,840	\$0	\$169,840
Bifocal Lens	641	\$76,920	\$0	\$76,920
Trifocal Lens	69	\$17,250	\$0	\$17,250
Progressive Lens	656	\$164,000	(\$32,800)	\$131,200
Transitions Lens	643	\$128,600	(\$38,850)	\$89,750
Polycarbonate Lens	232	\$10,440	\$0	\$10,440
Totals	8,589	\$1,111,150	(\$71,650)	\$1,039,500
Net Member Savings				\$1,039,500
Premiums Paid by Fund				\$895,074
Relative Value				1.16

This savings chart is for illustration purposes only. This information is an estimation based on national averages and is not guaranteed savings. Due to 60 day claims run out, encounter numbers could increase.



ESTIMATED PLAN SAVINGS BY PREVENTION

	IMPACTED EMPLOYEES	MEDICAL SAVINGS	PRODUCTIVITY GAINS	TOTAL
<u>Systemic Disease</u>				
Prediabetes	1,300.00	\$1,600,000	\$380,000	\$1,980,000
Undiagnosed Diabetes	398.51	\$320,400	\$387,300	\$707,700
Undiagnosed High Blood Pressure	879.89	\$770,700	\$555,600	\$1,326,300
<i>Subtotal of Systemic Disease</i>	2,578.40	\$2,691,100	\$1,322,900	\$4,014,000
<u>Eye Disease</u>				
Cataract	943.60	\$726,000	--	\$726,000
Diabetic Retinopathy	87.42	\$124,200	--	\$124,200
Elevated Intraocular Pressure	518.93	\$771,100	--	\$771,100
Glaucoma	376.65	\$322,800	--	\$322,800
<i>Subtotal of Eye Disease</i>	1,926.60	\$1,944,100	--	\$1,944,100
<u>Vision Problems</u>				
Trouble Seeing Up-Close	4,900.00	--	\$5,500,000	\$5,500,000
Trouble Seeing Far Away	2,200.00	--	\$2,500,000	\$2,500,000
Eyestrain and Fatigue	3,100.00	--	\$144,000	\$144,000
Debilitating Headaches from Light and Glare	85.77	--	\$728,700	\$728,700
<i>Subtotal of Vision Problems</i>	10,285.77	--	\$8,872,700	\$8,872,700
<u>Return on Investment</u>				
Savings		\$4,635,200	\$10,195,600	\$14,830,800

This calculator is provided for illustrative purposes only. This information is an estimation based on national averages and is not a guaranteed return; savings assume that conditions are detected early through eye exam and preventive measures are taken.



HOW DOES YOUR VISION PLAN PROVIDE MEDICAL & PRODUCTIVITY SAVINGS?

There are many eye- and overall-health problems that can affect your workforce – reducing productivity and impacting your subscribers' quality of life.

Your Advantica vision plan covers regular eye exams and proper eyewear to protect and enhance vision that can help reduce or even prevent these health risks – and save you on medical costs and lost productivity into the future.

Systemic Disease

A comprehensive eye exam can provide early detection of many systemic diseases, so they can be diagnosed and treated earlier – helping reduce medical costs and productivity loss down the road.

Americans are more likely to see their eye care professional than their general healthcare provider for a physical, so offering Advantica's vision plan is a helpful way to keep tabs on subscriber's overall health.

Systemic Disease - Prediabetes

Blurred vision is one of the first signs of diabetes, so eye care professionals are often the first health care providers to see patients in "prediabetic" state, while lifestyle changes can still be made to keep the disease from progressing.

Of course, not all prediabetic employees diagnosed by their eye doctor will take steps to manage their health condition. Research from the U.S. Centers for Disease Control and Prevention (CDC) shows that 76% of people who learn they are prediabetic take steps such as moderate weight loss and regular exercise to reduce their risk of developing the disease. Taking such steps can reduce the incidence of diabetes by 34%, according to a study by the National Institute of Diabetes and Digestive and Kidney Diseases.

Based on this, your estimated savings report assumes that 26% (76% of those diagnosed X 34% reduction in incidence of diabetes) of your subscribers diagnosed as prediabetic by their eye doctor will take steps to avoid the disease and be successful, thereby also avoiding the staggering medical costs and productivity loss that go with it.

Subscribers Impacted: 1,300 Medical Savings: \$1.6m Productivity Gains: \$380k **Estimated Savings: \$2m**

Systemic Disease - Undiagnosed Diabetes

Of the 29.1 million people in the U.S. with diabetes, 27.8% are undiagnosed, according to the CDC. Blurry vision is one of the first signs of diabetes, so eye doctors are often the first health professionals to diagnose the disease, and play an important role in encouraging the patient's overall management of the disease.

The estimated savings assumes that subscribers enrolled in the vision plan with undiagnosed diabetes will be seeing their eye doctor regularly, so will be diagnosed with the disease and encouraged to keep their diabetes under control. Better managing diabetes can lower health care costs by a minimum of \$804 per person per year, according to a study published in the Journal of Managed Care Pharmacy.

People with diabetes should see their eye doctor regularly to keep tabs on health issues that can be caused or worsened by the disease, including diabetic retinopathy and cataract. People with diabetes are also more susceptible to damage from ultraviolet (UV) rays and are more sensitive to glare – making UV and glare-blocking eyewear important.

Subscribers Impacted: 398.51 Medical Savings: \$320.4k Productivity Gains: \$387.3k **Estimated Savings: \$707.7k**



Systemic Disease - Undiagnosed High Blood Pressure

Eye doctors can see evidence of high blood pressure in the eye by observing the thickening of blood vessels there, and looking for other signs of damage. Because of this, high blood pressure can be detected through an eye exam, and employees can be encouraged to take steps to manage the disease overall, helping reduce medical costs and lost productivity. This avenue to diagnosis is important to plan administrators to consider for their subscribers, since approximately one in four males and one in six females don't know they have it.

Even if diagnosed, not all subscribers with high blood pressure will be successful in controlling it. According to the American Heart Association, 54% of adults with high blood pressure are able to get it under control.

Given this, the estimated savings report assumes that your subscribers with undiagnosed high blood pressure will be seeing their eye doctor regularly and will be diagnosed and encouraged to manage their disease. Assuming that 54% will be successful, the savings report projects that, for these subscribers, the most extreme related costs (emergency room visits) related to high blood pressure can be avoided and productivity can be improved.

Subscribers Impacted: 879.89 Medical Savings: \$770.7k Productivity Gains: \$555.6k **Estimated Savings: \$1.3m**

Eye Disease

There are many eye- and overall-health problems that can affect your workforce – reducing productivity and impacting your subscribers' quality of health.

Advantica's vision benefit covers regular eye exams and proper eyewear to protect and enhance vision, and can help reduce or even prevent these health risks – and save you on medical costs and lost productivity in the future.

Eye Disease – Cataract

A cataract is a clouding of the eye's lens. As your subscribers age, they will be at heightened risk for cataracts, which can impact their performance at work. Exposure to UV can contribute the development of cataracts – making UV-blocking eyewear important for at-risk subscribers.

The estimate savings report assumes that, through your group's vision plan, subscribers with cataract will have access to regular eye care to ensure they are being advised on their surgical options, and that they are wearing the right eyewear (UV- and glare-blocking) to delay progression of cataract and maximize available vision. Research shows that an annual cost avoidance of \$770 if possible with appropriate treatment of cataract.

Subscribers Impacted: 943.6 Medical Savings: \$726k **Estimated Savings: \$726k**

Eye Disease – Diabetic Retinopathy

Diabetic retinopathy is the most common diabetic eye disease and a leading cause of blindness in American adults. When blood sugar remains elevated, it can cause blood vessels of the retina in the eye to swell and leak fluid, or for abnormal new blood vessels to grow on the surface of the retina. The retina is the light-sensitive tissue at the back of the eye, necessary for good vision. Damage to the retina can begin before people notice a change to their vision – so regular visits to the eye doctor are important for early detection and treatment to avoid developing more advanced stages of diabetic retinopathy and the vision loss that comes with it.



The estimated savings report assumes your diabetic subscribers have access to regular eye care through their vision benefit, and will avoid the medical costs associated with diabetic eye disease. Diabetes is responsible for 21% of all ophthalmic health care expenditures, according to the ADA. Healthcare costs for diabetic retinopathy referenced in the estimated savings report were determined by taking 21% of the average yearly per person cost for all ophthalmic disorders, based on the U.S. Agency for Healthcare Research and Quality Medical Expenditure Panel Survey.

Subscribers Impacted: 87.42 Medical Savings: \$124.2k **Estimated Savings: \$124.2k**

Eye Disease – Elevated Intraocular Pressure

Elevated intraocular pressure can be one of the first symptoms of glaucoma and can be detected through routine tests performed during an eye exam. With treatments as simple as eye drops, pressure can be kept from increasing further and leading to glaucoma.

The estimate savings report assumes your workforce could avoid the medical costs associated with glaucoma (except for maintenance drugs) through early detection of elevated intraocular pressure.

Subscribers Impacted: 518.93 Medical Savings: \$771.1k **Estimated Savings: \$771.1k**

Eye Disease – Glaucoma

Glaucoma is a group of eye diseases caused by damage to the optic nerve. It leads to loss of peripheral or side vision that can eventually progress to blindness. Glaucoma cannot be prevented – but early detection can help control the disease and medical costs. Proper management and treatments is simple as using drops can help keep glaucoma from advancing.

Research shows a potential savings of \$857 in medical costs annually through early detection and treatment of glaucoma.

Subscribers Impacted: 376.65 Medical Savings: \$322.8k **Estimated Savings: \$322.8k**

Vision Problems

More than four out of five adults wear some kind of vision correction to compensate for common vision problems. And just about everyone will need some form of correction after age 40, when presbyopia affects up-close vision. If prescriptions are not up-to-date or problems from eyestrain and glare are causing blurred vision and headaches, employees are not seeing their best, and the impact on productivity is significant.

Vision Problems – Trouble Seeing Up-Close

Many people have trouble seeing up-close – even if they wear eyeglasses or contacts to correct their vision. Conditions that contribute to this include refraction errors (far-sightedness or near-sightedness) or astigmatism, which tend to develop earlier in life, and presbyopia, a vision problem typical after age 40 that makes near vision difficult. All of these problems can be corrected with the right eyewear – but many people have prescriptions that are out of date. Plus, people who are just developing presbyopia often wait to see their eye doctor or rely on over-the-counter readers that don't always correct their vision. According to a University of Alabama study, even when vision is miscorrected so slightly that a person does NOT notice, productivity loss may be as high as 20%. Because of an employee's productivity is impacted by a range of factors, the study suggests 2.5% as a more conservative estimate for productivity increase with proper vision correction.



Data from the Centers of Disease Control and Prevention shows that on average 38% notice trouble seeing up close when reading fine print in newspapers, magazines, recipes, menus, or numbers on the telephone – even while wearing glasses or contacts. The estimated savings report pulls prevalence rates based on this data for your subscribers and assumes productivity could be improved 2.5% for these individuals.

Subscribers Impacted: 4.9k Productivity Gains: \$5.5m **Estimated Savings: \$5.5m**

Trouble Seeing Far Away

Many people who have vision problems, such as myopia (near-sightedness) and astigmatism, which can interfere with vision far away. These people usually wear glasses or contacts to correct their vision – but may have prescriptions for glasses or contacts that are out-of-date. As stated above in the University of Alabama study, even the slightest miscorrection in vision can lead to as much as a 20% loss of productivity.

Data from the Centers for Disease Control and Prevention shows that 16% of people notice trouble seeing far away, or recognizing a friend across the street – even while wearing glasses or contacts. The estimated savings report pulls prevalence rates based on this date for your workforce and assumes productivity could be improved 2.5% for these individuals.

Subscribers Impacted: 2.2k Productivity Gains: \$2.5m **Estimated Savings: \$2.5m**

Eyestrain & Fatigue

Eyestrain and fatigue are caused by intense focusing of the eyes. This can occur when reading up close or working on digital devices for an extended period of time. It can also result from the eye trying to adjust to glare or bright light outdoors. Harmful blue light, indoors and out, has also been linked to eyestrain and fatigue. Certain lens options, like photochromic and anti-reflective lenses, can help reduce eyestrain and fatigue by minimizing reflections and glare. Research shows 40% of female and 50% of male employees with eyestrain and fatigue admit they take at least one break per day to rest their eyes, with an average number of breaking beings a little more than three.

The estimated savings report assumes employees with eyestrain and fatigue who take breaks can save the equivalent of three, 20-second breaks per day (a little more than half a day per year).

Subscribers Impacted: 3.1k Productivity Gains: \$144k **Estimated Savings: \$144k**

Debilitating Headaches from Light & Glare

Almost everyone experiences headaches, which can be distracting and outright debilitating – leading to absenteeism and difficulties concentrating on the job. Of those who report headaches, nearly one in four cite glare and light as a main cause. Wearing glare-blocking eyewear can reduce eyestrain and fatigue for those employees, helping prevent headaches on the job and at home.

Research shows that employees with headaches severe enough to result in lost productive time during a two-week period to lose about 3.5 hours in productivity every week. The estimated savings report assumes your workforce could avoid corresponding productivity due your Advantica vision plan.

Employees Impacted: 85.77 Productivity Gains: \$728.7k **Estimated Savings: \$728.7k**