

January 10, 2020

American Optometric Association 1505 Prince Street, Suite 300 Alexandria, VA 22314-2874 Attention: Barbara L. Horn, O.D., AOA President

Re: Evewear Dispensing Program

Dear Dr. Horn,

As we start the new year, I want to update you on the status of Versant Health's new eyewear dispensing program.

It's a game changer for us and for our valued network of eye care professionals. The program is a vital tool to improve administrative efficiency, make available a broader array of high-guality lenses, and improve lab guality and turnaround time. It also puts Versant Health on an even playing field with our industry peers, who have already adopted a similar approach.

Unfortunately, the introduction of the program has not gone as smoothly as we anticipated. There have been some issues associated with implementation that have led to an increase in calls to our call center. Consequently, there have been extended wait times that are unacceptable to your members and to us.

Allow me to apologize on behalf of Versant Health.

We are well aware of the issues – which are unacceptable -- and are working overtime to fix them. To date, we have implemented the following:

- Excluded two under-performing eyewear labs from the network.
- Prioritized portal updates with our information technology team for easier access and use.
- Increased staffing at the call centers to reduce wait times, including the addition of super-users who help solve problems in real-time. Since July we have added over 160 call center associates and will continue to do so until wait times are acceptable. This month we will train an additional 184 associates.
- Increased the number of staff working directly with eye care professionals to • more quickly escalate concerns.

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We are also monitoring claims volume daily to ensure prompt claims turn-around times. Resolving these issues for eye care professionals and their patients is our highest priority.

Collaboration with eye care professionals

Please also know that the new dispensing program was developed and launched in active collaboration with eye care professionals. We found our interests are aligned to ensure faster turn-around times, easier administration, and more choices for members. After a robust pilot program with 250 independent eye care professionals in the summer of 2019, the dispensing program was adjusted, based on their insightful feedback.

Early signs of success

Despite the issues we have encountered, there are more than 18,500 eye care professionals active in the new dispensing program, and it is already making a valuable impact:

- Eye care professionals are helping members access more innovative eyewear options for their personalized needs, such as digital progressives, anti-reflective coatings or blue light coatings.
- Nearly 254,000 orders have been processed through the new portal, as of December 31, 2019.
- 95% of all eyewear orders have been fulfilled in 5 days or less.
- 96% of claims have been processed accurately.

The program gives our members, and the eye care professionals who care for them, access to high quality eyewear using advanced technology and broad choice in lens functionality, while stabilizing costs.

Commitment from Versant Health leadership team

As we begin 2020, and continue to evolve into the organization that matches our vision of being the most trusted managed vision care company in the industry, we will redouble our efforts to improve, communicate those improvements, and help the eye care professionals in our network achieve their own goals for business and patient care.

It's an exciting time for eye care professionals. Versant Health is aligned with the American Optometric Association and its member eye care professionals in "taking a leading role in patient care with respect to eye and vision care, as well as general health and well-being." Last year we published white papers on the medical advantages of an eye exam by an eye care professional, as well as the importance of Americans understanding of the health and financial costs of diabetic retinopathy.

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We believe that 2020 will be another important year for eye health. Through Davis Vision and Superior Vision, Versant Health provides vision benefit services to many of the country's largest employers and health plans, and we will continue to promote the importance of an annual eye exam. We value the eye care professionals in our network, and would like to work with the AOA to promote eye care as an important health topic in 2020.

Looking ahead, together

We would like to acknowledge the AOA's important role in raising concerns for the optometric community on this and other issues. We are committed to working with you to ensure your members are well served.

Again, we apologize to those eye care professionals and their patients who have been impacted as we transform for the future. We understand that trust is earned, and we will do our best to earn yours.

Sincerely. nK Rothock

rk Rothrock CEO, Versant Health

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