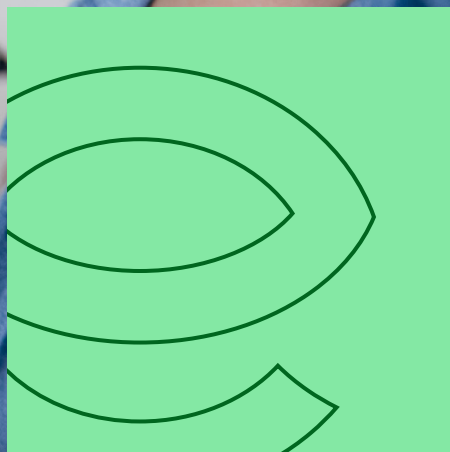


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Focused on vision in Medicare Advantage

2025 strategic shifts, member impact
and competitive implications

INTRODUCTION

Vision continues to lead

Vision is the most widely offered supplemental benefit in Medicare Advantage (MA), with 99% of MA plans – including those covering the vast majority of beneficiaries – providing vision coverage in 2025.¹

Nearly all of these plans now offer \$0 copays for routine eye exams, supporting CMS's focus on preventive care and aligning with member expectations.² Global allowances have become the dominant benefit structure, streamlining both member experience and plan communication. At the same time, rising member switching behavior underscores how critical robust vision benefits are to retention.



To stay competitive, MA plans must strike the right balance between cost control and delivering tangible value to members

¹ "CMS Medicare Advantage Landscape Files (2023–2025)"; Centers for Medicare & Medicaid Services; CMS.gov; September 2024. ² "2024 Medicare Advantage and Part D Star Ratings"; Centers for Medicare & Medicaid Services; CMS.gov; October 2023.





STRATEGIC SHIFTS

Vision's value as a supplemental benefit, market position and trends

Vision's market position in 2025

Vision benefits remain nearly universal across MA plans. As the top-ranked supplemental benefit, vision has shifted from a differentiator to a baseline expectation, influencing both member acquisition and retention. Plans lacking competitive vision benefits may face higher churn and diminished satisfaction scores.

EXAM BENEFIT TRENDS

Nearly 97%

of Medicare Advantage
plans now offer a \$0 copay
for routine vision exams³

This reflects growing
alignment with CMS's
broader focus on preventive
health strategies and social
determinants of health.⁴

Routine eye exams – particularly important
for identifying conditions like diabetic
retinopathy – have become a cornerstone
of value-based care in MA.



Plans increasingly promote it as a low-cost,
high-value service that supports both member
well-being and Star Rating performance.

³*CMS Medicare Advantage Landscape Files (2023–2025)*: Centers for Medicare & Medicaid Services; CMS.gov; September 2024. ⁴*Medicare 2024 Part C & D Star Ratings Technical Notes*: Centers for Medicare & Medicaid Services; CMS.gov; March 2024.

MEMBER IMPACT

Material allowances, benefit frequency, behavior and retention risk

Continued shift toward global allowances

Global vision allowances now represent 90.8% of vision benefit structures across MA plans.⁵ These allowances replace itemized benefits, simplifying communication and creating a more intuitive experience for members. The move also aligns with the broader industry trend of creating consumer-centric designs that are easy to understand and use.

Frequency compression

Plans offering a 1-year benefit frequency have declined from 91.5% in 2023 to 80.1% in 2025.⁵ While this shift may yield operational savings and longer-term cost controls, it introduces a risk of perceived value erosion. Members accustomed to annual refreshes may view a two-year schedule as reduced value, especially in combination with other benefit tightening. This perception gap can drive dissatisfaction and switching.

⁵CMS Medicare Advantage Landscape Files (2023–2025)*: Centers for Medicare & Medicaid Services; CMS.gov; September 2024.



**We create a member experience
focused on simplicity and transparency**

Material allowance benchmarks⁶

BY FREQUENCY

1-year plans: The average eyewear allowance declined from \$266 to \$261, affecting 26.78 million members

2-year plans: The average increased from \$243 to \$265, impacting 6.64 million members

Though dollar amounts appear to be achieving parity, reduced frequency changes the value equation. For members who delay replacing worn or outdated eyewear due to the two-year limitation, the utility of the increased amount is diminished.



BY PLAN TYPE

Local plans: Highest average allowances at \$291, often built to reflect regional needs and cost-of-living variation

Regional plans: Show more fluctuation, with average allowances at \$246. Some regions still maintain strong benefits, while others have pulled back in an effort to offset rising medical spend

National plans: Offer consistent benefits around \$249 across broad markets. These standardized packages help streamline operations but may fail to fully meet the expectations of high-engagement members in competitive metro markets



This segmentation shows how plans are customizing – or generalizing – vision benefits to match their footprint and growth strategy.



Member behavior and retention risk

Plan switching hit 23% during the 2025 Annual Election Period (AEP), up from 16% in 2024, marking the highest rate since 2007.⁷ Reduced vision benefit frequency and lowered material allowances were significant contributors to this churn.⁸ Vision benefit degradation, when combined with cuts to other MSBs, increases retention risk.

⁶*CMS Medicare Advantage Landscape Files (2023–2025)*; Centers for Medicare & Medicaid Services; CMS.gov; September 2024. ⁷*Medicare Shopping and Switching Study*; Deft Research; deftresearch.com; January 2025. ⁸*Medicare 2024 Part C & D Star Ratings Technical Notes*; Centers for Medicare & Medicaid Services; CMS.gov; March 2024.

COMPETITIVE IMPLICATIONS

Market disruption, DSNP retention, EED and Star Ratings

Vision's role in DSNP retention

For dual-eligible special needs plans (DSNPs), vision is a critical piece of an integrated benefit package. Data shows that among duals receiving grocery, OTC and eyewear benefits, two-thirds would consider switching plans if any of those were removed – underlining vision's role in maintaining satisfaction and retention.¹⁰

Quality implications: EED and Star Ratings

The Eye Exam for Diabetics (EED) measure significantly affects Star Ratings. CPT II code capture and compliance rates directly impact performance. With CMS's increasing emphasis on outcomes, even a modest difference in benefit value (e.g., \$300 vs \$100 allowance) can influence a plan's ability to close the final 2% of gaps needed for a 5-Star rating.¹¹ Plans with richer vision benefits tend to show higher EED utilization rates, contributing to better quality scores.

¹⁰ "Medicare 2024 Part C & D Star Ratings Technical Notes"; Centers for Medicare & Medicaid Services; CMS.gov; March 2024. ¹¹ EyeMed internal data; 2024.

FINAL TAKEAWAYS

Vision benefits are no longer optional— they are a foundational expectation

As competition in the MA market intensifies and member behaviors evolve, benefit richness and ease of use have become critical differentiators. Health plans that strategically align their vision benefit design with member value and quality performance will be best positioned to lead in both retention and Star Ratings.



**For more information on the value
of offering vision benefits, speak
with your EyeMed representative**

