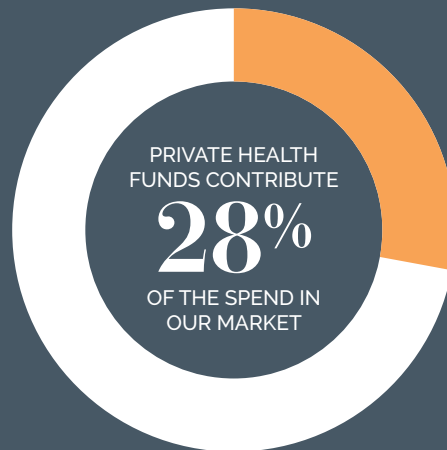
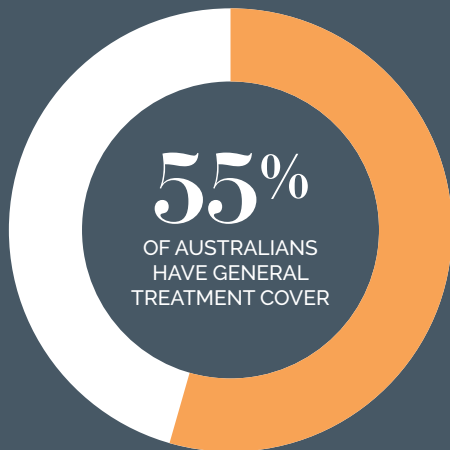


PRIVATE Health Funds

It's time to get back on the front foot
and be proactive



Whether we like it or not, Private Health Funds are an influential player within the optometry sector.

55% of Australians have general treatment cover and Private Health Funds contributed \$844 million in optical benefits in 2017 which represents some 28% of the estimated \$3 billion spent annually in our market.

Whilst dealing with Private Health Funds can be frustrating, we want to help you by providing you with tools and resources that will help you take full advantage of the opportunity that they present.

Your 4 point strategy inside ▶

YOUR 4 point strategy

We have developed a 4-point strategy to help neutralise the impact of the Private Health Fund and keep your patients loyal to your practice:

- 1 Private Health Fund rebates and information
- 2 Neutralise Private Health Fund offers
- 3 Leverage your No Gap opportunities with MAZE and Spinach
- 4 Promote your Private Health Fund accessibility

1 Private Health Fund Rebates and Information

An important part of our strategy must be negating the need for patients to call their Health Fund to establish what their benefit entitlements are.

All too often, your patients are told to go to a preferred provider competitor when you have done all the clinical work.

ON THE SPOT QUOTE WITH HICAPS

A great tool at your disposal is the HICAPS quotation function which allows you to ascertain what benefits a client still has owing to them on the spot, and is available through most funds.

- ▶ Press the function key
- ▶ Scroll to enquiry quote
- ▶ Key in items: e.g. 110 frame, 112 Multifocal
- ▶ Get a rough estimate to divert the patient away from contacting the health fund

NB: quoting will not be available if the patient has already used their entitlement or is not covered at all.

The full "How to do a HICAPS Quotation" instructional guide has been included in your Private Health Fund Kit (including a list of participating funds).



Fast claims... on the spot

How to do a HICAPS Quotation

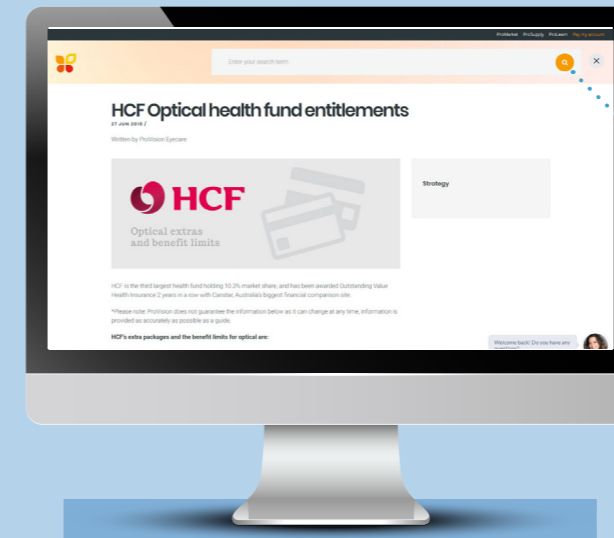
- Step 1** Access the Transactions menu by pressing [TRANS] on the touch screen. Alternatively press [FUNCTION] on the touch screen and select option 6. Balance Enquiry/Quote and press [SELECT], then go to Step 3.
- Step 2** Select option 1. Balance / Quote and then press [SELECT].
- Step 3** Swipe the patient's health fund card.
- Step 4** Use the arrows on the touch screen to choose the Provider that you would like to quote with and press [SELECT]. Note: This prompt will only be displayed if more than one provider is loaded into the terminal.
- Step 5** Using the keypad, enter the 2-digit Patient ID printed on the card and press [OK]. Note: This value will default to 01 if nothing is entered.
- Step 6** Using the keypad, enter the Item Number and press [OK].
- Step 7** Using the keypad, enter the Clinical Code, Tooth Number or Body Part and press [OK]. Note: This step will only appear if the provider being transacted with has a prompt option enabled in the Provider Settings (Function 54).
- Step 8** Using the keypad, enter the Date (DD/MM) for the treatment you are quoting for and press [OK]. To accept the current date just press [OK].



WHAT IF THE PRIVATE HEALTH FUND DOESN'T OFFER A QUOTATION FUNCTION?

For the small number of funds who do not offer a Quotation function, we have collated an easy reference library in the ProVision secure member website.

Here you can access the level of optical cover offered by your client's Private Health Fund, provided that they know what policy they have purchased. This allows you to advise them of their optical entitlements without needing to contact the Private Health Fund.*



To find a patient's entitlements:

- ▶ Log in to your member website at optom.provision.com.au
- ▶ Click on the search tool
- ▶ Type in the name of the health fund
- ▶ Click on the relevant health fund article

* Please note only those health funds without a quotation function will be available on your member website.



AN ALTERNATIVE EFTPOS SOLUTION

If you want to reduce the costs of doing business with the health funds to offset any of the benefits that you might need to provide to your patients directly, Tyro is now available as an alternative to HICAPS.

- ▶ Lower access fees
- ▶ Lower transaction fees
- ▶ Uses HealthPoint instead of HICAPS
- ▶ Does not have the quote facility

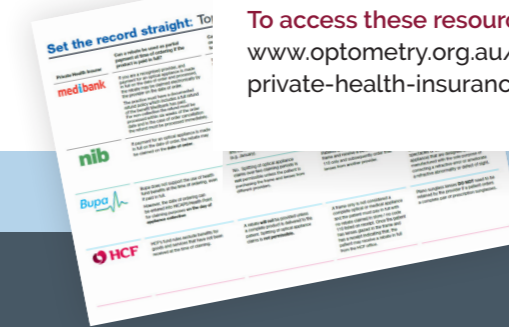
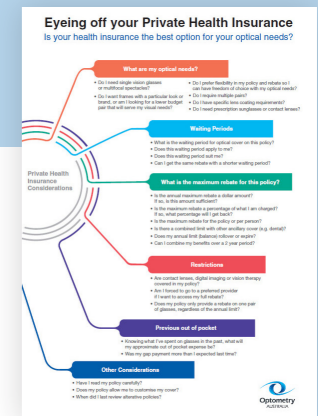


RESOURCES TO SUPPORT YOUR CONVERSATIONS

To help you help your patients, Optometry Australia has developed a handy patient resource aimed at getting a clear line of sight on optical benefits by asking a number of simple questions to help them understand the cover they have, the cover they need, and the best product to meet that. These resources include:

- ▶ Top 4 Private Health Insurance Rebate Rules
- ▶ Medibank Private's top tips of health fund claiming for optometrists
- ▶ A guide to help patients determine the best health insurance cover for their optical needs
- ▶ Private Health Insurance Audits

To access these resources, visit: www.optometry.org.au/for-optometrists/professional-practice/private-health-insurance and login.



2 Neutralise Health Fund Offers

Some of the health funds have been offering discriminatory rebates and offers to entice your patient away from you. Our view is that you should do everything in your power to stop this from happening.

If the Private Health Fund is offering a discount (via their preferred provider) to a patient whom you want to keep, then consider offsetting the discount with a value add e.g. free tinting, free photochromic, free AR, or half price second pair to ensure that you do not lose a valued client. The perceived value to the patient can be quite significant whilst the real cost to you can be minimal.

IDENTIFY THE PRIVATE HEALTH FUND PRODUCT OFFER

If you are up against a Private Health Fund practice, make sure that you identify their product offer (via a mystery shopper) and either price competitively or switch to ranges that they do not stock.

In some cases, it might be necessary to negate a preferential rebate being offered by a Private Health Fund e.g. if the benefit is \$200 through your practice but \$250 through a preferred provider, then match the difference with a \$50 rebate from you directly to your client. When this conversation is handled as a positive initiative on your part rather than as a reaction to competition, you win a client for life.

Take the time to establish some simple conditions e.g. spend \$400 and receive a \$50 rebate which is equal to a 12.5% discount or apply the rebate to specific ranges of frames where you have the best gross margin.

PROMOTE YOUR WHY CHOOSE US

Always promote your "Why Choose Us" to articulate what makes you different and to neutralise any price difference e.g. make sure that your warranty is not your best kept secret.

LEVERAGE YOUR DATABASE

Don't wait for the patient to ask, be proactive and share first! Remember you have an existing 'trust' relationship with people in your database, so leverage this. Use your database to contact patients directly with information and an offer. Use any method that you feel will reach them. Letter, email or SMS, you may even feel comfortable phoning. Be targeted and have a specific message and offering for each health fund.

Don't forget, your clients are busy, they are time poor, so make it easy for them to continue to do business with you, by reminding them of your existing relationship with a special offer tailored to their health fund.



3 Leverage your No Gap opportunities with MAZE, MAZE+, Spinach & Spinach Boost

MAZE

WHY MAZE?

In 2010 we recognised the need for a private label frame range that offered Members a low-cost value product at a highly competitive price.

The MAZE brand was subsequently launched in 2011 and was positioned as the ideal No Gap brand (with a recommended retail price of \$99*) for patients with Health Fund cover.

The range was launched as a collection of 20 individual SKUs (unique models with no colour variations), with designs specifically targeting both male and female patients.



MA-61 C2 BLACK 54-17-140



MA-62 C1 BROWN 50-18-138

MAZE+

WHY MAZE+?

Following the initial success of the MAZE range, a collection of 20 new models was launched the following year under the label MAZE+.

These 20 unique SKUs were more detailed in styling with additional features and carried a suggested retail price of \$145*.

This additional brand was created to support Private Health Fund members with premium cover (and subsequent higher full frame rebate entitlements).



MAZE+ 49 C2 DEMI 49-18-140



MAZE+ 46 C1 CHAMPAGNE TORT 49-21-145

spinach

WHY SPINACH & SPINACH BOOST?

To complement the existing No Gap brands, the children's range Spinach was also launched in 2011 and an additional range, Spinach Boost, is planned for release in September 2018.

They are priced to reflect the MAZE and MAZE+ ranges at \$8.95 and \$14.95 net cost respectively, and both are similarly positioned in terms of styling and quality.

Both offer a No Gap solution and / or competitive entry price point for children.



SP-13 C2 BLACK PINK 48-17-130



SP-12 C2 DARK PURPLE 48-18-140

All four brands are distributed by Frames Etcetera – for more information you can contact your local Frames Etcetera representative or call direct on 1800 708 771.



Both MAZE and MAZE+ ranges have continued to gain traction with Members over the past six years, and practice distribution now exceeds 250 doors nationally. The general member perception is that both brands represent good value, with a high level of ProVision influence over styling.

Tony Jones, ProVision Merchandise Manager

SAVE WITH SUPPLY & FIT

Save \$2 on the net cost of both MAZE and MAZE+ when you order through ProSupply Supply & Fit (Frame to Follow).

Supply & Fit price:

MAZE \$6.95 and MAZE+ \$12.95.

- ▶ See back cover to read how Total Eyecare use MAZE/MAZE+ as a No Gap range.

*Prices are ex-GST



Our practice finds the MAZE and MAZE+ ranges fantastic go-to's for the No Gap customer. We feel that the styling and choice across both ranges perfectly caters for the diverse clientele looking for no out-of-pocket expense on their spectacles.

The ease of ordering the frames as Supply & Fit on ProSupply, or in some cases, direct from the lab, ensures straightforward processing and quicker turnaround times.

Emma Richardson, Practice Manager & Optical Dispenser
Clacher & Hook Optometrists, QLD

NO GAP & SECOND PAIR POSITIONING

Created specifically as a health fund offer, ideally these brands should be promoted as a No Gap offer. The low cost of your No Gap product, however, means it also makes an ideal Second Pair opportunity.

Give some thought to building second pair promotional offers and presenting multi-pair eyewear solutions to patients (based on clinical and functional need) at various points in the customer journey. Remember that patients will have different needs and second pairs are part of providing optimal care.

PRICING GUIDE

Package prices vary according to your Supplier Partner Lab of choice. For some guidance around what you can expect to pay from our Lab Partners (Essilor, Hoya, Rodenstock, CR Surfacing, Jack Chapman, VSP), please login to your ProVision member website and search "No Gap" by clicking on the search tool in the top right of the screen. MAZE frames with single vision lenses are available from as little as \$6.95 ex GST (when ordered via S&F).

BENEFITS OF SUPPLY & FIT

Supply & Fit

One of the biggest advantages to ranging either MAZE or MAZE+ as your No Gap offer is that both are available on a Supply & Fit (Frame to Follow) basis. This means that with a full range in practice, you'll never have to sell the model on display, saving both time and freight costs.



MAZE frames displayed in drawers at Total Eyecare Optometrists

RANGE REFRESHMENT

To ensure ranges remain fresh and relevant to patient demand, both MAZE and MAZE+ are reviewed periodically and slower sellers flagged for discontinuation to make room for newer models. Practice feedback ensures that new models reflect what styles patients are looking for, so the ranges are always on trend.

PRODUCT DISPLAY

How and where you choose to display your No Gap product will depend on factors such as your practice demographic and your display space capacity.

It's important that you don't over-represent your No Gap ranges on display to avoid over-selling more as your entry price point. It's best to present higher priced product first and sell down if necessary (if your patient demographic supports this strategy).

Display the No Gap counter card provided in your pack (see right) alongside your MAZE range or on your counter.



Pole of MAZE+ frames displayed at Clacher & Hook Optometrists

4 Promote your Private Health Fund accessibility

Given that 55% of Australians have general treatment cover, and the increase in Private Health Fund owned optical stores, it is essential that you make it known that optical extras can be claimed in your practice, with ANY health fund.

To get you started in promoting your Private Health Fund accessibility, we have developed a promotional kit (enclosed), including:

WINDOW DISC

Suction cup with hook for easy application to your window



A4 COUNTER CARDS

1 x Optical Extras
1 x No Gap



DIGITAL RESOURCES AVAILABLE ON YOUR PROVISION WEBSITE

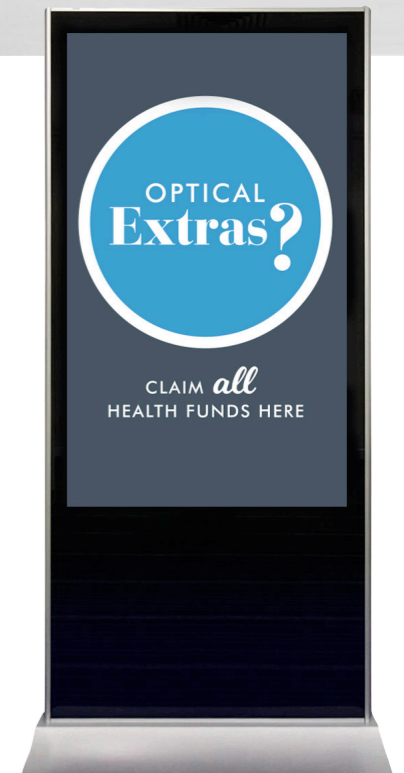
To support you in promoting this message online, we have developed:

- ▶ Facebook post and images
- ▶ Media screen artwork
- ▶ Website blog article and images

To download these resources log into your secure member website and search "Private Health Fund digital resources."



Facebook post



Media screen

“

“We use MAZE and Spinach as our No Gap offering because it ticks all the boxes.

It is a simple broad range, that fits and adjusts well, is reliable, inexpensive, and comes from a reputable supplier (Frames Etcetera) who makes ordering easy and supports us with warranties. Our reputation is too important to supply sub-standard product. We order complete frame and lens jobs on Hoyalog, but it's also easy to order as Supply & Fit through ProSupply to reduce time, costs and handing.

We have multiple practices in our community, and we want to service the whole community so we need to offer ranges that suit every budget. I'd rather supply a basic pair of specs than no specs, but I'd also rather provide a better pair of specs that really suits their needs, so having a personal discussion is important.

When people ask about No Gap, we show them our MAZE range and our other ranges to educate them on their options. If someone asks first about price, it's often because they don't know what else to ask about. Letting them know there is a broad range of quality in both frames and lenses can be enlightening, and how individual styling can give their appearance a boost. They often say “why has no-one told me this before?”

It's really important that we dispense a No Gap product efficiently, so having clear procedures and staff training is essential. We display MAZE neatly in a top drawer or have one row of MAZE product on display for ease of access and easy comparison with other brands.

When people ask about No Gap, we show them our MAZE range and our other ranges to educate them on their options.

We talk about “frame and lens packages”, but price the MAZE frame and lenses separately so that we can claim their health fund through HICAPS appropriately. We then discount the frame price (not lenses!) to match the rebate level. Discounting the frame has two benefits; it reinforces that our lenses are quality and worthy products, and reducing the frame price also reduces the GST component, giving us a small cost saving.

Our business couldn't thrive if we only sold No Gap product, so providing No Gap as an option means we can say “Yes!” to anyone who comes in for eye care and eye wear, but we don't let it limit us in providing what an individual really needs.”



*Andrew Koch
CEO Total Eyecare Optometrists, Hobart*

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