

# The State of Delaware

Vision Benefit Request for Proposals (RFP) –  
Scope of Work

State Employee Benefits Committee Meeting

March 21, 2025

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# Background and context for today's discussion

- The State of Delaware provides vision benefits to approximately 76,000<sup>1</sup> members. Members include State employees, pensioners, and their covered spouses and dependent children enrolled in the State's vision plan with EyeMed
  - Eligible State employees include school district, charter school and higher education employees and their dependents
    - Some school districts are not eligible because they offer their own vision benefits to school district employees
  - Non-State participating groups, including municipalities and fire companies, are also eligible for State vision plan
    - As an outcome of the 2020 Vision RFP, the SEBC agreed to expand eligibility to non-State participating groups
- The State's contract with EyeMed will expire on June 30, 2026
- The State's vision benefit is a fully insured contract; EyeMed is the claims fiduciary and assumes the financial risk associated with insuring this benefit, which also means the vendor establishes the premium rates for this plan
- Vision benefits are 100% paid for by employees; there is no State funding for vision coverage
- Today's discussion will focus on an overview of the proposed scope of services for the next Vision RFP and any initial feedback from Committee members will be incorporated into the full RFP as it is being developed

1. Source: Plan Enrollment Highlights – Quarter 2 of FY2025; <https://dhr.delaware.gov/benefits/facts-figures/documents/enrollment-highlights.pdf?ver=0228>

# Typical vision plan design features compared to the State plan

- Frame allowances are typically \$130 - \$150; State allowances are \$160 for the Low option and \$210 for the High option
- Frame frequency of one per 12 months is about as common as one per 24 months; State plan options allow one per plan year (12 months)
- Standard progressive lenses and premium progressive lenses are only offered by about one in three and one in four plan sponsors, respectively; State plan options offer coverage for both types of progressive lenses, with a copay (FY25 plan ranges from \$10 - \$85 for standard progressive lenses and \$95 - \$130 for most premium progressive lenses at in-network providers)
- Offering up to two plan design options is fairly common, which is consistent with the State's plan

# Vision benefits feedback from State employees

- In January 2025, the SBO surveyed State employees about their preferences for vision benefits
- The purpose of the survey was to glean insights into what State employees want from this benefit to be considered in the development of the Vision RFP
- Survey participants were organized into three groups:
  - Employees enrolled in the High plan option
  - Employees enrolled in the Low plan option
  - Employees who are not enrolled in vision coverage
- Key survey findings included the following feedback:
  - On average, 49% of employees enrolled in both plan options are not satisfied with the annual frame/lens allowance (\$160/Low plan, \$210/High plan), citing high out-of-pocket costs even after use of the plan's frame/lens allowance
  - Of the employees who are not enrolled in the vision plan, about 22% did not elect this coverage due to the cost of premiums or due to insufficient coverage/allowances to defray out-of-pocket costs
  - Employees who are not enrolled in the vision plan are looking for higher plan allowances, lower out-of-pocket costs, more in-network provider options and lower premiums
  - Over 40% of enrolled employees across both plans are unaware of the opportunities to save on vision services (such as LASIK surgery) that is offered through the plans



# Considerations for the next vision RFP scope of services

- Consider having the RFP request one or more of the following plan design options:
  - Match the current vision plan designs for a Low option and a High option
  - Quote on a modified Low plan option that reflects slightly higher out of pocket costs for covered services but includes lower premiums, offered alongside another option that matches the current High option plan design
- Require that vendors' proposals must include pricing that is no more expensive than the current published FY25 premium rates
- Explore network options that allow plan participants to access greater plan benefits such as higher frame/lens allowance at select providers while still providing a broad network of participating providers that accept the State's vision benefits

# Proposed RFP objectives

- Have a **strong reputation** and **historical experience** in the vision insurance market;
- Provide **competitive financial terms and performance guarantees**;
- Possess an **extensive network of providers** in Delaware;
- Process and pay claims in a **timely manner**;
- Provide **excellent customer service** to participants;
- Possess the capability to **accept electronic transfer of enrollment and payroll files** according to the State's existing schedule;
- Provide ease of access to a member-facing **secure web portal** for enrollment and account information;
- Offer **state of the art administrative services** including a web portal for program management;
- Support the State with **communication** to all eligible employees about the vision insurance program;
- Provide **excellent account management services** to the Statewide Benefits Office (SBO), including **timely reporting and superior implementation support**;
- Offer two plan options (Low/High) that **provide meaningful choice** based upon the needs of the plan participants;
- **Be responsive** to changes in the program and requests of the SEBC and the SBO; and
- **Compliant** with the submission requirements set forth in the RFP document

# Next steps

- SBO and WTW will incorporate feedback from the SEBC on the scope of services and into the Vision RFP as it is developed
- SEBC will review the Vision RFP at the May 23, 2025 SEBC discussion and provide feedback on the full RFP document
- SBO and WTW will incorporate feedback from the SEBC into the final version of the RFP for the SEBC's approval
- SEBC will vote on the Vision RFP for approval at the June 27, 2025 SEBC meeting



# Appendix

# State of Delaware vision plan – effective July 1, 2024

Plan Option	EyeMed Low Vision Plan		EyeMed High Vision Plan	
FY24 Enrollment (members as of July 2024)	42,401 (56%)		33,221 (44%)	
Network	Insight		Insight	
Plan Feature	In-Network Member Copay	Out-of-Network Reimbursement ("Up to" amount noted)	In-Network Member Copay	Out-of-Network Reimbursement ("Up to" amount noted)
Exam	\$10	\$30	\$5	\$30
Retinal Imaging	Up to \$39	N/A	\$0	N/A
Frame	\$0 copay; \$160 allowance, 20% off balance over \$160	\$45	\$0 copay, \$210 allowance, 20% off balance over \$210	\$105
Standard Plastic Lenses – Single Vision or Bifocal or Trifocal	\$20	\$25 Single \$40 Bifocal \$55 Trifocal	\$10	\$25 Single \$40 Bifocal \$55 Trifocal
Standard Progressive Lenses	\$85	\$40	\$10	\$40
Premium Progressive – Tier 1, 2, 3	Tier 1 \$105 Tier 2 \$115 Tier 3 \$130	\$40	Tier 1 \$95 Tier 2 \$105 Tier 3 \$120	\$40
Premium Progressive – Tier 4	\$85 copay; 80% of charge less \$120 allowance	\$40	\$75 copay; 80% of charge less \$120 allowance	\$40
Lens Option – Anti Reflective Coating – Standard	\$45	N/A	\$0	\$5
Lens Option – Standard Polycarbonate – Adult	\$40	N/A	\$0	\$5
Lens Option – Standard Polycarbonate – Kids under 19	\$0	\$5	\$0	\$5
Contact Lenses (Disposable)	\$0 copay; \$160 allowance, 100% of balance over \$160	\$105	\$0 copay; \$210 allowance, 100% of balance over \$210	\$170
	Frequency		Frequency	
Exam	Once per plan year		Once per plan year	
Frame	Once per plan year		Once per plan year	
Lenses or Contact Lenses	Once per plan year		Once per plan year	
Medical Follow-Up Exam for Diabetic Vision Care	Once every 6 months		Once every 6 months	

**Note: Chart reflects FY25 plan design and does not include any changes the SEBC will vote on at the 3/21 meeting for tier 4 progressive lenses**

# State of Delaware vision plan – effective July 1, 2024

Plan Option	EyeMed Low Vision Plan		EyeMed High Vision Plan	
FY24 Enrollment (members as of July 2024)	42,401 (56%)		33,221 (44%)	
Network	Insight		Insight	
Coverage Options/ Premiums	Total Monthly Premium	Bi-Weekly Premium	Total Monthly Premium	Bi-Weekly Premium
Individual	\$6.48	\$3.24	\$13.06	\$6.53
Individual & Spouse	\$10.24	\$5.12	\$20.64	\$10.32
Individual & Child(ren)	\$10.42	\$5.21	\$21.04	\$10.52
Family	\$16.84	\$8.42	\$33.94	\$16.97

*Note: Chart reflects FY25 premiums, which will not change for FY26*