

Premium Cataract Surgery Goes Mainstream

Finding opportunity in a slow economy and changing reimbursement climate.

BY KRISTEN INGENITO

Recent advances in cataract surgical technology offer new opportunities for patients to achieve good spectacle-free vision across all ranges, and they provide cataract surgeons with the tools to serve these needs. Discussions of these new technologies dominate the podiums at eye meetings, ophthalmic journals, and manufacturers' marketing efforts. Not all patients have the desire or economic means with which to pay for this new technology, however, and not all cataract surgeons embrace it. A recent Market Scope survey of US ophthalmologist sheds some light on the adoption rates and economics associated with premium IOLs and laser cataract surgery.

PREMIUM IOLs IN PRACTICE

Market Scope collected 296 surveys from US cataract surgeons/practices during July 2013 to better understand the market for premium cataract surgery in this country. Our data included the activity of 476 US cataract surgeons, as many of the surveys included data from group practices with more than one surgeon. This sample represents roughly 6.8% of all US cataract surgeons.

The vast majority of respondents (almost 85%) reported offering a premium IOL option to their patients. More than 46% offer both presbyopia-correcting and toric IOLs, and about 23% offer only presbyopia-correcting lenses. Only 15.3% of respondents reported not offering premium lenses (Figure 1).

Of course, not all patients are good candidates for the technology, and some lack the motivation and/or eco-

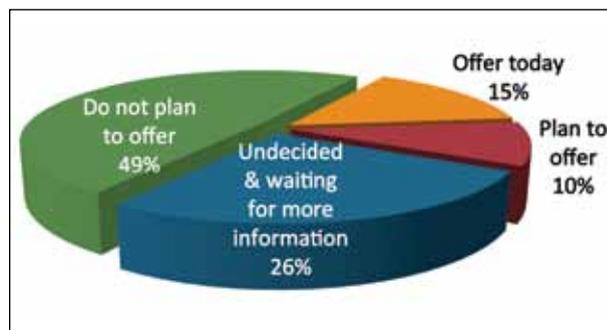


Figure 1. US cataract/IOL surgeons offering premium IOLs. Reprinted with permission from the *Market Scope Q2-2013 Survey of US Cataract Surgeons*.

nomie means required to pay for it. Approximately 52% of responding surgeons said that premium IOLs compose less than 10% of their IOL procedures, and another 37% reported that these advanced procedures make up more than 10% and less than 30% of their procedures. The remaining 11.6% reported that premium IOLs are used in 30% or more of their procedures. Overall, these IOLs make up 15.2% of all cataract and refractive lens exchange procedures. Although the demand for these lenses may not be growing as quickly as some had hoped, the numbers have remained steady through difficult economic times. This bodes well for the future of the technology and the premium payment paradigm.

Premium IOLs cost more than conventional IOLs, and cataract surgeons have significant latitude in pric-

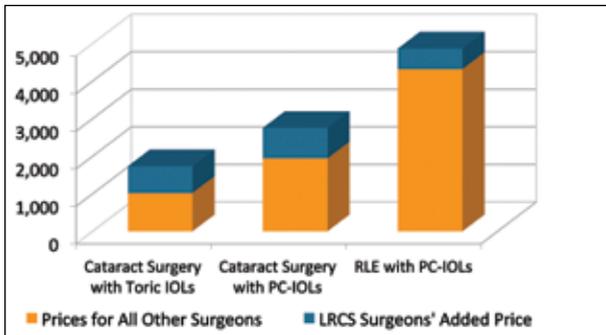


Figure 2. Average fees above any reimbursable charges for premium IOL procedures in the United States. Abbreviations: PC-IOL, presbyopia-correcting IOL; RLE, refractive lens exchange. Reprinted with permission from the *Market Scope Q2-2013 Survey of US Cataract Surgeons*.

ing. Market Scope’s survey shows that, on average, cataract patients with Medicare coverage paid \$2,091 more for presbyopia-correcting IOLs and \$1,134 more for toric IOLs than for monofocal lenses; private-pay patients spent \$4,423 for a presbyopia-correcting IOL procedure (Figure 2). Premium procedures can add significantly to a practice’s bottom line while providing many patients with improved visual function and less reliance on glasses.

Barriers to growth in the premium market have not changed much since the advent of the technology. Obstacles include a lack of awareness among patients, the need to properly educate patients and manage their expectations, and the higher cost of these lenses to patients. Many cataract surgeons have learned to deal with these issues and grow the share of premium IOLs within their practices.

LASER REFRACTIVE CATARACT SURGERY

Laser cataract surgery has been available in the United States for more than 2 years, and experience with the technology is rapidly increasing. Nevertheless, the technology accounts for a small share of US cataract procedures. Market Scope’s survey found that 2.1% of cataract procedures were performed with these systems in Q2-2013 (Figure 3). Roughly 15% of survey respondents reported that they now offer this technology, and another 10% reported that they plan to offer laser cataract surgery during the next 12 months. An additional 49% reported that they do not plan to offer the technology.

Based on Market Scope’s Q2-2013 survey data, on average, surgeons were able to bill \$715 more for laser cataract surgery procedures with toric IOLs than other cataract surgeons who implanted these lenses, and

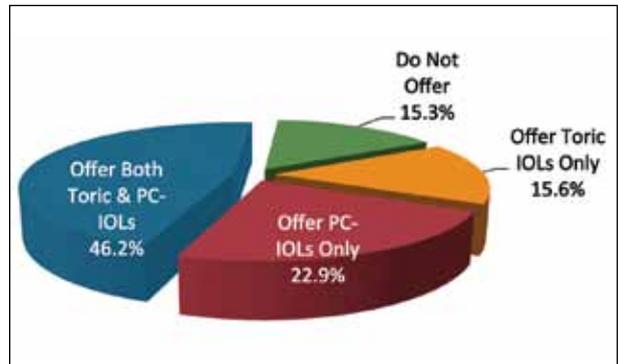


Figure 3. US cataract/IOL surgeons offering or planning to offer laser cataract surgery. Reprinted with permission from the *Market Scope Q2-2013 Survey of US Cataract Surgeons*.

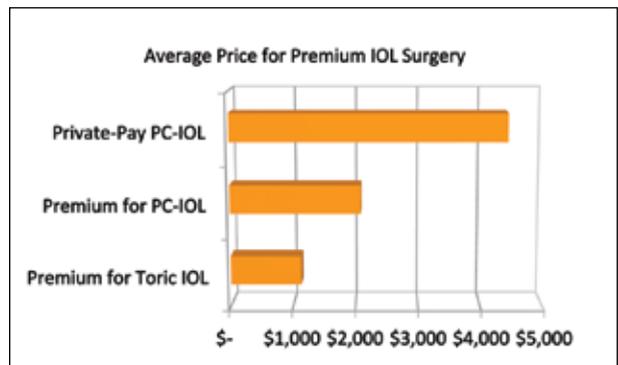


Figure 4. Added charges for combined premium IOL and laser cataract surgery procedures by type. Reprinted with permission from the *Market Scope Q2-2013 Survey of US Cataract Surgeons*.

they billed an additional \$814 for laser cataract surgery plus presbyopia-correcting IOL procedures in cataract patients (Figure 3). Figure 4 shows the added per-procedure revenues reported by survey respondents.

CONCLUSION

Market Scope’s staff expect demographic and social trends along with improving economic conditions and advances in surgical technologies to increase patients’ demand for premium technologies in the coming years. ■

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