Agenda

Organizational overview

EyeMed impact on member value and savings

Utilization and clinical observations

Performance Dashboard

Future program enhancements

Closing remarks and questions
EyeMed organizational overview

America’s fastest growing vision benefits company¹

Who we are
- We’re part of the Luxottica family of companies
- Established in 1988
- 39% growth in last 4 years
- Network of independent, retail and online providers
- 92,000 providers at 25,000 locations²
- Serving 50 million members
- Government & municipalities: 3.8 million members, like Los Angeles Unified School District & the County of San Bernardino

Value for the City of Los Angeles
- Unified vision plan
- Enhanced benefits with increased allowances and frequencies
- Cost neutral impact to the City
- Lower out-of-pocket expense for members
- Simplified benefit administration allows coordinated communications campaigns to maximize the member experience

¹Internal analysis of EyeMed membership data compared to data from leading vision benefit companies, as reported in Freedom of Information Act (FOIA) requests and news alerts
²Based on the EyeMed Insight network, June 2017
Utilizing benefits in-network = optimal member value!

Increase to annual frequency for all services and enhanced benefits:

- Retinal imaging covered with $10 copay
- Frame and contact lens allowances increased to $150
- Contacts and frame allowances in the same plan year

Added member savings and perks:

- Standard contact lens fit & follow-up: $40 copay
- Savings of up to 55% on progressive lenses and lens coatings through fixed-pricing
- 40% additional pairs discount
Vision exam goal

City of Los Angeles target exam utilization: 27%*

City of Los Angeles standalone, unified vision program is projected to increase overall eye exam utilization by 3.7% compared with the prior fiscal year.

<table>
<thead>
<tr>
<th>Year</th>
<th>Members</th>
<th>Exams</th>
<th>Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2015 - June 2016</td>
<td>56,012</td>
<td>13,972</td>
<td>24.9%</td>
</tr>
<tr>
<td>Blue Shield and Kaiser</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 2017 - June 2018**</td>
<td>57,287</td>
<td>16,433</td>
<td>28.7%</td>
</tr>
<tr>
<td>EyeMed and Kaiser</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change</td>
<td>+2.3%</td>
<td>+17.6%</td>
<td>+3.7%</td>
</tr>
</tbody>
</table>

We’re on track to exceed goal across a higher membership base.

Key initiatives to contribute to this success:
- Popup clinics proposed for early Q2 2018
- Member education webinar series proposed quarterly in 2018
- Additional, ongoing vision benefits training
City of Los Angeles YTD 2017* utilization

Strong Year 1 exam and materials utilization results (January – October 2017)

*Kaiser utilization reported by Kaiser through October 2017. **BOB (book of business) data is based on non-voluntary population.
Pop-up clinics

Temporary vision clinics offering your members eye exams and an on-site store for eyewear. We brought 6 pop-up clinics to you during Q1 2017:

<table>
<thead>
<tr>
<th>Pop-up location</th>
<th>Number of days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>4</td>
</tr>
<tr>
<td>Figueroa Plaza</td>
<td>5</td>
</tr>
<tr>
<td>City Hall</td>
<td>11</td>
</tr>
<tr>
<td>Marvin Braude Building</td>
<td>2</td>
</tr>
<tr>
<td>LAX</td>
<td>5</td>
</tr>
</tbody>
</table>

That equals 389 pop-up eye exams in Q1 2017, or 12% of total exams performed during these three months.
### EyeMed network utilization

#### Your overall network utilization
- 97% in-network
- Retail – 38%:
  - LensCrafters – 23%
  - Other – 14%

#### Peer overall network utilization
- 98% in-network
- Retail – 38%
  - LensCrafters – 17%
  - Other retail – 21%

*Based on your actual data through October 2017. Frame only, does not include lens.

### Your average frame price by location

<table>
<thead>
<tr>
<th>Location</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent</td>
<td>$203</td>
</tr>
<tr>
<td>LensCrafters</td>
<td>$172</td>
</tr>
<tr>
<td>Sears</td>
<td>$143</td>
</tr>
<tr>
<td>Target</td>
<td>$153</td>
</tr>
<tr>
<td>JCPenney</td>
<td>$146</td>
</tr>
<tr>
<td>Other Retail</td>
<td>$123</td>
</tr>
<tr>
<td>Overall</td>
<td>$184</td>
</tr>
</tbody>
</table>

*Based on your actual data through October 2017. Frame only, does not include lens.
Performance dashboard

We met or exceeded all guarantees* outlined in the RFP through the last reporting period

Implementation & Ongoing Administration
- 100% of ID cards mailed in 10 days
- 98% of eligibility files updated in 2 days

Claims Processing
- 99.5% financial accuracy
- 99% processing accuracy
- 99% of claims paid in 10 days

Complaints & Appeals
- 98% complaint resolution in 30 days

Member Services
- 25 second average speed of answer
- 2.5% or less abandonment rate
- Provider locator availability 99% of scheduled time

Reporting
- Reports delivered in 30 days

Surveys
- 95% member satisfaction

* Based on your actual performance report through October 2017.
Performance dashboard

Successful benefit rollout with opportunities for growth

Continuing change management for Kaiser population
  o Successful ‘Back to Basics’ Q4 webinar, recommend quarterly events in 2018
  o Additional, ongoing vision benefits training

Operational issues
  o ContactsDirect.com erroneously charged sales tax
    ✓ Programming change was implemented by provider to correct
    ✓ Refunds were issued to affected members
  o Providers unable to timely complete California required Self-Attestation Verification process resulting in delayed display on provider locator
    ✓ Providers are active on network and able to file claims to EyeMed
    ✓ Early partnership with National Association of Vision Plans to develop common solution
Future program enhancements
EyeMed resources to achieve more awareness, maximize member experience

Know Before You Go tool
- Available services and products list: eye exams, frames, lenses, add-ons and contacts
- Members choose their preferences for each item
- Estimated total out-of-pocket, if any, appears on-screen

Microsite
- www.eyemedvisioncare.com/cityofla
- Strong year 1 results, approximately 20% of subscribers have registered accounts generating 56,000 views

Member mailers
- High-risk: Eye exam reminder to members identified as at-risk for certain conditions
- Out-of-network: Awareness mailer to remind members to use in-network options to maximize savings

SMS text messaging
- Keeps members educated and informed
- Personalized to each member, includes reminders, tips, offers and more
Finally, let’s just talk

Any questions?

Learn more at eyemed.com