




DISCOUNT HEALTH CARE PROGRAMS

EVOLUTION AND PROSPECTS FOR CONTINUED GROWTH



CONSUMER
HEALTH
ALLIANCE





A first-of-its-kind industry report that highlights the nature, members and value of discount health care programs.

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Executive Summary

This Discount Health Care Programs report is a first-of-its-kind discount health care industry publication from the Consumer Health Alliance (CHA).

CHA is the national trade association for discount health care programs. Founded in 2001, CHA serves to educate consumers and regulators about non-insurance discount programs, promote programs that operate in a consumer-friendly manner, and work with state legislators and regulators to ensure that regulation of the industry protects consumers' right to access affordable health care services at discounted rates.



THE purpose of this report is to provide data, analysis and evaluation of the past, current and future trends shaping the discount health care industry—as well as further educate consumers, the media, regulators and other relevant stakeholders about discount programs—how they work, how they are distributed, and their value to consumers, providers, and others. Methods of analysis used to develop the 2016 Discount Health Care Programs report include both primary and secondary research.

A significant portion of data and statistics featured in this report comes from a first-of-its-kind national consumer and provider survey, titled the “2016 Discount Health Care Programs Survey.” The survey, which focuses on discount dental and discount vision programs, as well as dental insurance and vision insurance, was commissioned by CHA and conducted by Leavitt Partners, a research and health care consulting firm with offices in Chicago, Salt Lake City and Washington, D.C.

The 2016 Discount Health Care Programs Survey draws attention to several key insights featured in this report, including:

- Nearly 27 million Americans are members of a discount health care program.
- Both consumers and providers report that more than 70% of discount dental program members and more than 65% of discount vision program members save over 40% on services (with median savings of 50 – 60%).
- More than 60% of discount dental programs cost less than \$200 for an annual membership—as compared to 37% of traditional dental insurance policies.
- The number one reason survey respondents cited for not going to the dentist or eye doctor more often is “the cost of services is too high.”
- For 57% of discount dental program members, and 73% of discount vision program members, a portion of the membership is paid for by their employer.

More information about the 2016 Discount Health Care Programs Survey, including the basis for the research and methodology, is fea-

tured in Appendix I. Data and statistics from the survey are distinguished and marked with an asterisk (*) throughout this report.

In addition to primary research and statistics presented through the survey in the report, many third-party studies and news articles are featured throughout the report. This secondary research and accompanying sources are cited in Appendix II.

History of Discount Programs

Discount health care programs were conceived in Florida and began operating nearly 30 years ago.

Initially, programs were marketed as a way to help lower the cost of prescription drugs for Medicare beneficiaries and others without prescription drug coverage. Programs were also commonly referred to as “prescription discount cards” or “medical discount cards.”

In the years that have passed, health care costs have risen steeply. Consumers have faced rising premiums and increased out-of-pocket costs for basic health care services. At the same time, many employers have reduced coverage of supplemental services, including dental and vision. As these changes hit the pocketbooks of many Americans, consumers have looked for ways to make needed health care more affordable.

Discount health care programs have evolved to include many supplemental services typically not covered by traditional medical insurance,

for example, dental, vision, chiropractic, hearing and alternative medicine. In recent years, programs have been more commonly referred to as “discount health plans” or health care “savings plans.”

Programs offer consumers direct access to health care products and services at more affordable rates.

While the distribution channels for discount health care programs and the range of services offered have dramatically changed over the years, the original concept and purpose of these non-insurance programs have stayed the same—to offer consumers direct access to health care products and services at more affordable rates.

How Discount Programs Work

Discount health care programs have become known for their simplicity in both structure and practical use. They offer individuals and families an easy way to join and use at participating providers.

Several publications and personal finance experts, such as *AARP Bulletin*¹, *Forbes*² and Leah Ingram³, have noted that discount programs work like a membership you have to a warehouse retailer such as Costco, but for discounts on health care products and services.

Here's how discount health care programs work:

- Member pays a monthly or annual fee for access to providers who have agreed to discount their services.
- Membership often includes an entire household for one fee.
- Member gets materials which explain how to use the discount program, including a card to show at the provider's office.
- Provider recognizes the network on the card.
- Member pays provider the discounted fee at time of service.

Health & Lifestyle Savings for Consumers

Non-insurance discount programs offer 10% to 60% savings (off the regular fee) on virtually every supplemental health, lifestyle and wellness service.

Savings offered by discount health care programs will vary based on type of service or product, and location.

Some of the more popular discount benefits that require a licensed provider are: dental, vision, hearing, chiropractic, prescription drugs, alternative medicine, lab tests, and diagnostic imaging. Additional health-related services include: telemedicine, medical bill negotiation, medical records, and personal health care navigators.

Discount health care programs also feature various health and lifestyle benefits, such as:

- Veterinary care
- Vitamins

- Diabetic supplies
- Weight loss programs
- Smoking cessation programs
- Gym memberships
- Legal assistance
- Identity theft protection
- Roadside assistance
- Travel planning
- Shopping discounts

Individual and family discount programs are offered in a stand-alone or bundled combination. As such, discount programs may provide only one of the benefits previously mentioned. However, discount programs are more commonly offered with a combination of benefits.

For example, Aetna Dental Access® is a stand-alone discount program for dental. Another example, the Careington Care 500 Series, is a bundled discount program which features savings on dental, vision and prescription drugs.

With a diverse mix of stand-alone and bundled combinations of benefits available in to-

day's discount health care marketplace, consumers can find the discount program that best fits their needs. The simplicity and value of discount programs are enjoyed by millions of people in every state across the country. Per consumer estimates from the 2016 Discount Health Care Program Survey, nearly 27 million Americans are members of a discount program.*

It is important to note that this figure reflects only dental or vision discount programs and not the many discount programs that do not feature those benefits. It also includes only consumers who are aware that they participate. Others have access to a discount program as part of their insurance plan or some other membership, but may not be aware of that fact.

How Consumers Access Discount Programs

Discount health care programs are offered through a variety of distribution channels.

Some companies offer discount programs on a stand-alone basis directly to consumers. Others operate discount programs on a wholesale basis and offer them to third parties who brand and market them to customers. And, many trusted companies in the discount health care industry provide programs directly to both consumers and groups, including: Careington International, Coverdell, :DentalPlans and New Benefits.

Discount programs are offered by employers to workers, banks to customers, and unions and non-profit organizations to members. Many employers

add non-insurance discount programs to their employee benefits package. State and local governments offer programs to their employees and residents. Most federal employees' health insurance includes added discount programs.

Discount health care programs make providers available to consumers either through direct contracts or through agreements with national provider networks. Large numbers of providers have agreed to participate in discount networks. Many of these same provider networks also have agreements with insurers to make their providers available to insured enrollees.

The consumer does not always pay for their discount program membership (see charts from 2016 Discount Health Care Programs Survey on next page). In fact, a majority of members do not pay for their discount program entirely on their own.*

Employers

Some employers provide discount programs as an added benefit to employees. For 57% of discount dental program members, a portion of the membership is paid for by their employer.* For 73% of discount vision program members, a portion is paid for by their employer.*

Associations

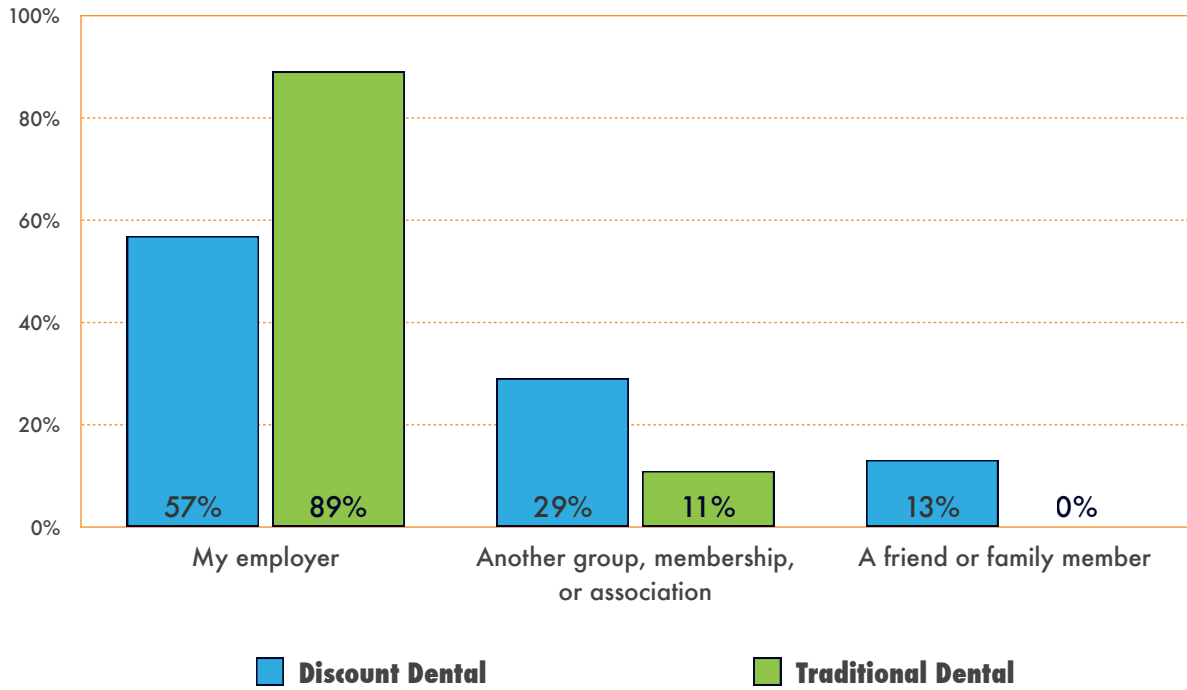
Groups and associations also include discount health care programs as an added benefit of association membership. Nearly one-third (29%) of discount dental program memberships are included as part of association membership.*

Insurance Companies

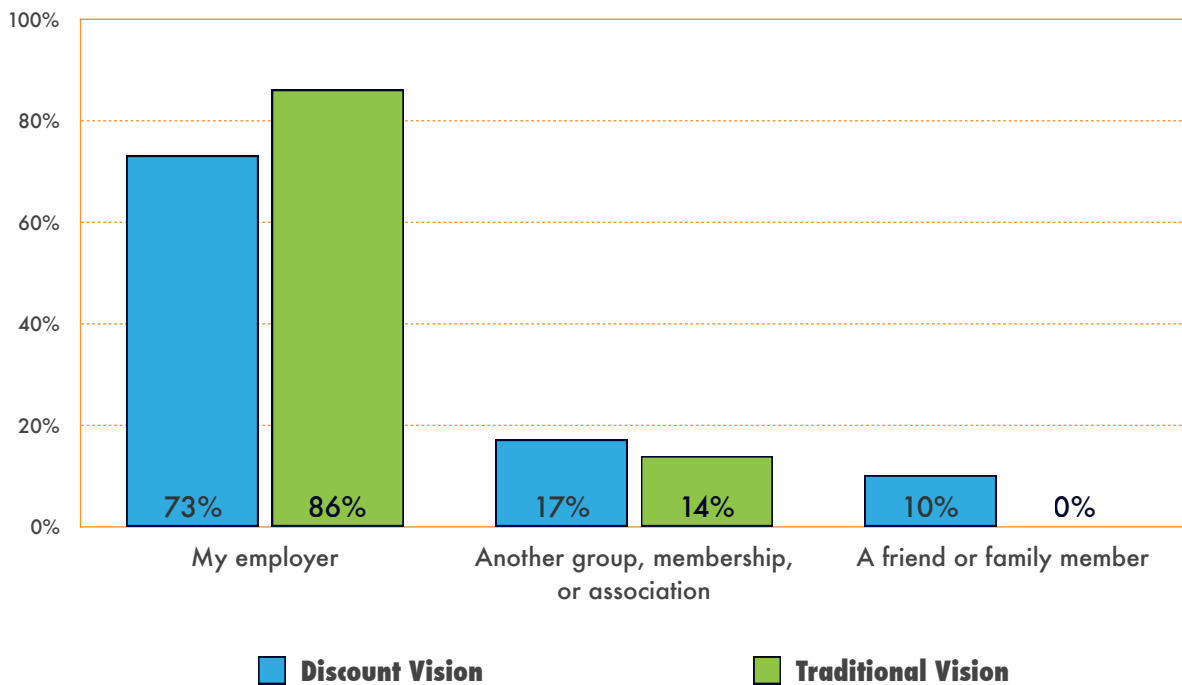
Insurance companies add discount programs to their coverage to help provide savings on non-covered services. Insurance companies offering discount health care programs include: Aetna, Blue Cross and Blue Shield, Cigna and Humana.



Who pays for a portion of your discount dental program membership?



Who pays for a portion of your discount vision program membership?



Value For Everyone

Discount programs provide benefits for all parties involved. Whether it is a consumer saving money, an employer providing employee benefits, or a health care provider serving additional patients.



For Consumers

Discount programs are easy to use, offer great value and have a low-cost to join. According to the 2016 Discount Health Care Programs Survey, 62% of discount dental programs cost less than \$200 for an annual membership—as compared to 37% of traditional dental insurance policies.*

62% of discount dental programs cost less than \$200 for an annual membership.*

The most significant value that discount programs provide for consumers is access to more affordable supplemental health care services while helping them save money on out-of-pocket costs.

For example, the national average cost of a crown procedure at the dentist is \$782.04 for a self-pay patient.* The national average for that same procedure for a discount dental program member is \$484.75.*

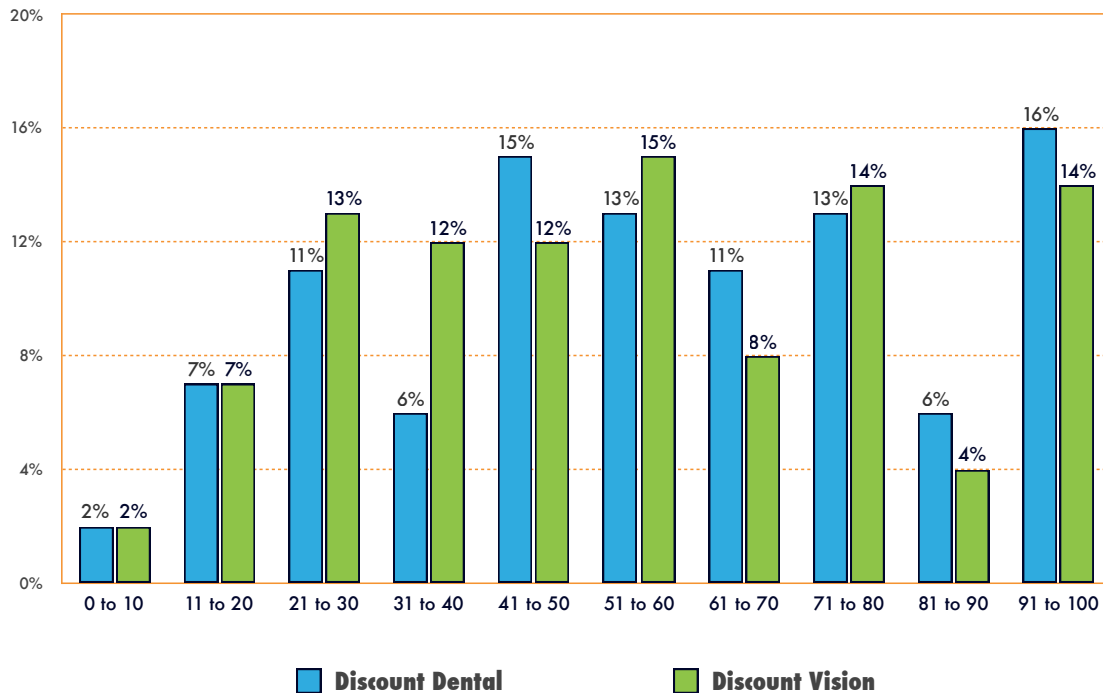
Another example, the national average cost of a routine dental checkup for a self-pay patient is \$81.38.* With a discount dental program membership, it costs \$25.29.*

Many of the services included in discount health care programs are commonly excluded from traditional medical insurance policies and Medicare. This means that consumers will need to pay the regular price for these services without a program that helps reduce costs.

Both consumers and providers report that more than 70% of discount dental members and more than 65% of discount vision members save over 40% on services, with median savings of 50 – 60% (see chart on next page).*

Consumers who find that their savings greatly exceed the cost of the discount program will continue to be a member. Over 60% of discount program members have been a member for longer than one year.*

Typically, how much do you save on dental or vision when using your discount program?



For Employers & Associations

For employers, discount programs allow them to help employees contain costs as health insurance premiums and cost-sharing continue to increase. Employers are able to continue or expand health care savings to keep employee satisfaction and retention up at a modest cost for the employer.

According to the Benefits Strategy and Benchmarking Survey from Arthur J. Gallagher and Co., more than half of U.S. companies experienced a 5% increase in health insurance premiums in 2016, and 25% saw increases of 10% or more.⁴

In another survey released by *Benefits Selling* in 2013, 53% of responding employers said they would drop employee dental and vision coverage if they needed to put the money toward a major medical plan.⁵

Rather than do without supplemental benefits, many employers have found discount programs to be a cost-effective solution to bridge the gaps found in health insurance policies, while providing their employees with a comprehensive package of options.

In addition, by complementing benefits packages with discount health care programs, employers can stay competitive in the marketplace, appeal to job candidates, increase job satisfaction, and improve employee retention.

Much of the same can be said for associations. Discount health care programs provide associations with a value-added option that can help them to appeal to new members, increase member satisfaction and improve retention.

For Insurers

Insurance companies also benefit from discount health care programs. Complementing traditional insurance policies with discount programs allows insurers to design a comprehensive package of benefits that addresses all of their customers' health care needs.

For Providers

Discount programs help providers attract and retain patients through a non-insurance solution that offers savings on services. Providers are also able to improve treatment plan acceptance and increase the utilization of available capacity.

According to the 2016 Discount Health Care Programs Survey, dentists estimate that 10% of all dental patients pay for procedures through a discount dental program.* In addition, vision providers estimate that 16% of their offices' payment method by volume is through patients utilizing a discount vision program (see charts below).*

Through discount health care programs, providers are also able to avoid third-party involvement with insurance companies while

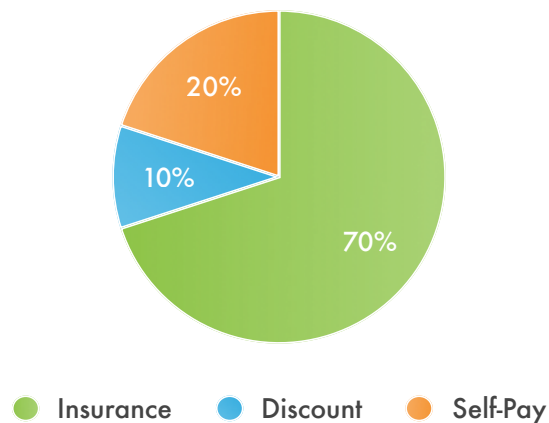
receiving payment from patients at the time of service. This solution reduces administrative burdens and increases cash flow for providers.

For Health Care Policy-Makers

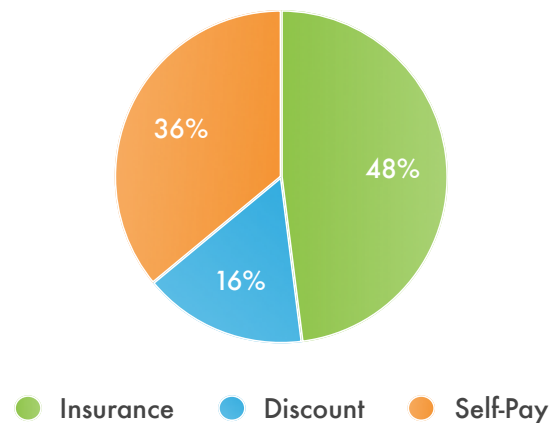
For health care policy-makers, discount programs increase consumer access to affordable care while helping to offset reductions resulting from constrictions in insurance coverage. Discount programs add an important tool in the effort to make health care more affordable. The health insurance system can focus on coverage of essential health benefits, while discount programs allow consumers to control their overall health care spend.

Discount programs also increase access to care, which in turn leads to better health. For example, a consumer in need of oral surgery may delay or even forego treatment due to the substantial cost. A discount dental program may allow the consumer to choose treatment instead. The consumer improves his oral health. And, "oral health is essential to general health and well-being,"⁶ so public health is improved as well.

Dental patients' volume by payment method



Vision patients' volume by payment method



Demographics of Discount Program Members

Given the gaps found in traditional medical insurance and rising out-of-pocket health care costs – and all the products and supplemental services discount programs have to offer – discount programs have appeal for everyone, from families to millennials to baby boomers.

This appeal is reflected in discount program membership. About half of discount program memberships are individuals and half are households.* Compared to the overall U.S. population, discount program members have the following characteristics.

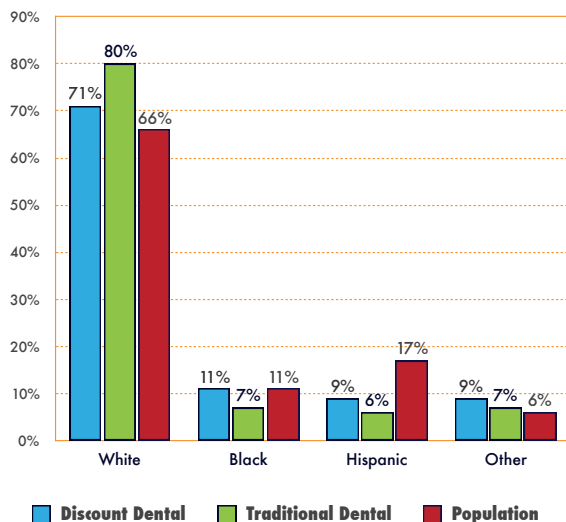
- **Age:** Discount program members are generally older than the U.S. population, particularly among the 56 – 75 age group (more than 40% of discount members vs. 21% of the U.S. population).* One explanation for this is that more dental insurance is provided by employers. As employees retire, they lose access to that coverage and many turn to discount programs as a means of saving money on dental care.

- **Gender:** Discount dental program members are 61% female, vs. 51% of the U.S. population.*
- **Education:** 62% of discount program members attended or graduated from college, vs. 52% of the U.S. population.*
- **Married:** 63% of discount vision program members are married, vs. 42% of the U.S. population.*

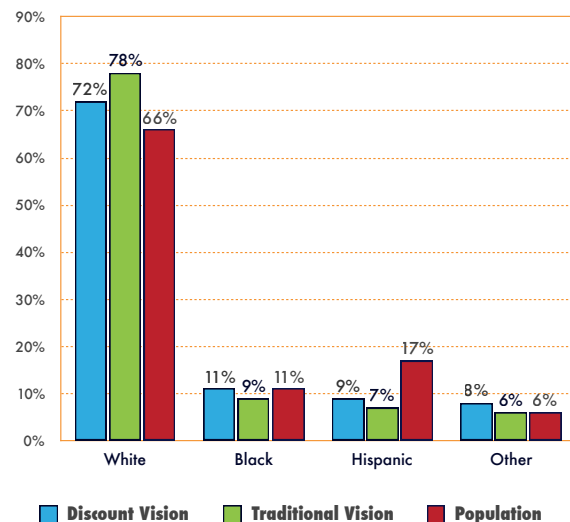
In addition, as it relates to discount dental programs, members are more likely to reflect the overall racial composition of the U.S., as compared to those with dental insurance.*

The following data and charts from the 2016 Discount Health Care Programs Survey feature both discount dental and discount vision programs (by race and age) as compared to dental insurance and vision insurance and the U.S. population.

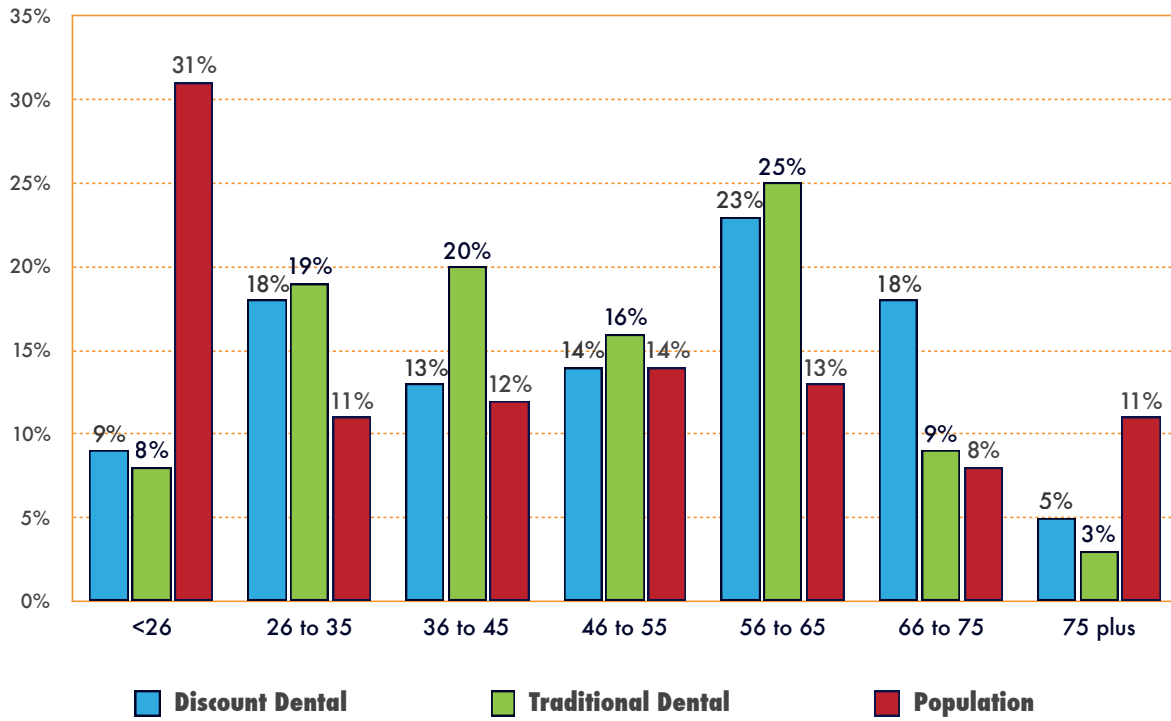
Dental Programs by Race



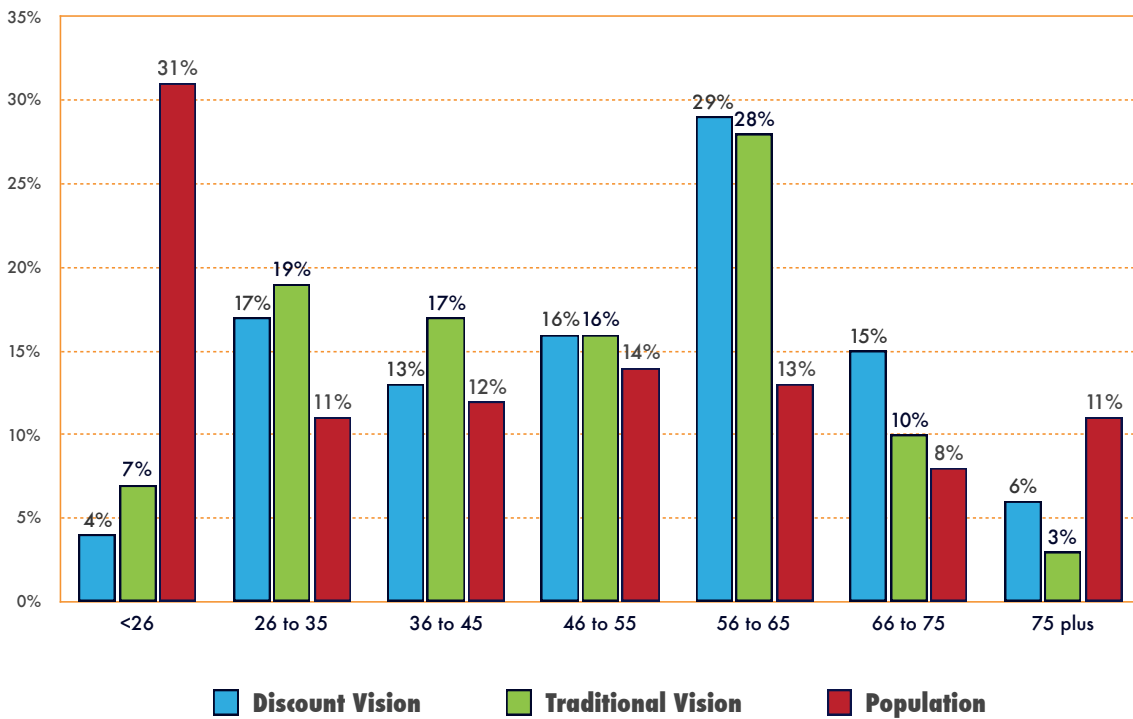
Vision Programs by Race



Dental Programs by Age



Vision Programs by Age



The Difference Between Discount Programs & Insurance

Discount health care programs have often been “defined more by what they are not than by what they are.”⁷

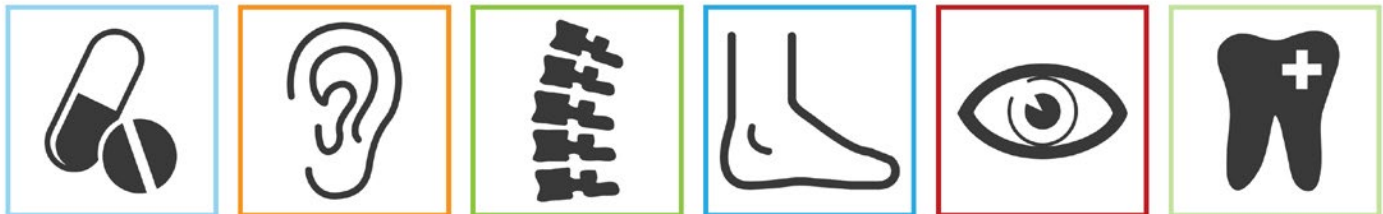
Discount programs are about getting better prices on supplemental services left out of one’s existing insurance coverage.

To start, discount health care programs are not insurance. They do not pay providers on behalf of the member. Discount health care programs are not intended to replace traditional insurance nor do they meet Affordable Care Act (ACA) requirements for minimum essential coverage, since they are not insurance. But, discount programs can complement medical insurance and Medicare plans to help make supplemental services and exclusions more affordable for consumers.

In addition, discount health care programs provide the following advantages for consumers:

- No annual limits on how much a consumer can use the discount program.
- No waiting periods before a consumer can use the discount program.
- No restrictions on use by consumers with pre-existing conditions.

The key points to remember are that discount health care programs are not about replacing medical insurance or getting discounts at a consumer’s primary care physician. Non-insurance discount programs are about getting better prices on supplemental services left out of one’s existing insurance coverage, which may include dental and vision care for adults, hearing aids, chiropractic services, acupuncture, and more.



Myths & Facts About Discount Programs

In addition to the previous section, these myths and facts can provide more understanding about discount health care programs.

Myth	Fact
Discount health care programs are like health insurance.	Discount health care programs are not insurance and should be used in combination with health insurance coverage, whether it be employer-sponsored, Medicare, or through public health exchanges or private individual plans. In addition, discount health care programs do not satisfy ACA mandates.
Discount health care programs do not offer real discounts and are not regulated.	Discount health care programs have helped millions of Americans save 10% to 60% on supplemental health care services and out-of-pocket costs. Most states regulate discount programs and about half of states require discount programs to be licensed by or registered with the state insurance department.
It's hard to find a provider to accept a discount health care program.	Discount programs have contracted with thousands of providers across the U.S. Discount health care programs make their lists of participating providers available before joining, so consumers can check to see that the services they want are available close by.
Discount health care programs only offer savings on prescription drugs.	Individual and family discount programs are available in stand-alone or bundled combination for a variety of services, including: dental, vision, alternative medicine, chiropractic, and hearing.
You can only join a discount health care program during certain times of year.	Most discount programs do not have open enrollment periods; therefore, consumers can become a member at any time. In addition, unlike many dental insurance plans, discount health care programs have no waiting periods to start accessing services at a discounted rate.
Savings offered by discount health care programs are applicable at any provider in the U.S.	Savings of 10% to 60% are available at participating in-network providers and will vary based on services and location.
Discount health care programs are only available through online companies that market them.	Discount programs are offered by a variety of national associations, financial institutions, governments, insurers, and more. Discount programs are also made available from employers on a paid or voluntary basis to complement their benefit packages, as well as through companies that market discount health care programs directly to consumers.

Health Insurance & Medicare Exclusions

The reality is that health insurance and Medicare policies do not cover everything.

According to a 2014 analysis conducted by HealthPocket, these are the top 10 medical services not included in most health insurance plans:⁸

1. Long-term care
2. Cosmetic surgery
3. Adult dental services
4. Weight loss program
5. Acupuncture
6. Routine foot care
7. Infertility treatment
8. Private nursing
9. Adult eye exam
10. Weight loss surgery

For Medicare Part A and Part B, the following items and services are excluded:⁹

- Long-term care
- Most dental care
- Eye examinations related to prescribing glasses
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting them
- Routine foot care

“The cost of services is too high” is the #1 reason for not going to the dentist or eye doctor more often.*

These exclusions – and subsequent out-of-pocket costs – have led many consumers to either delay or completely forego these types of services.

Two common examples of this are for dental and vision services. Per the 2016 Discount Health Care Programs Survey, respondents cited “the cost of services is too high” as the number one reason for not going to the dentist or eye doctor more often (44% for dental care, and 42% for vision).*

However, a discount program for dental and/or vision services can help patients keep up with their care and better afford procedures. Both consumers and providers report that more than 70% of discount dental program members and more than 65% of discount vision program members save

over 40% on services, with median savings of 50 – 60%.*

In addition, prior to becoming a discount dental program member, 65% of survey respondents indicated they did not have any form of a dental plan.* And, 64% of respondents said they had no vision coverage prior to purchasing a discount vision program.*



Forming the Consumer Health Alliance

In 2001, leading discount health care companies joined together to form CHA, which serves as the national trade association for discount health care programs.

CHA's mission is threefold:

- First, to educate consumers and regulators about the consumer benefits of quality discount health care programs, and to give consumers the information they need to find a reputable discount program.
- Second, to create a code of conduct that establishes benchmarks for well-operated, consumer-friendly discount health care programs.
- Third, to work cooperatively with state legislatures and regulators on discount program issues.

CHA works to communicate consumer information about discount health care programs—what they are, how they work, and why they are valuable. CHA has developed a consumer guide that describes what to look for, and to look out for, when considering a discount health care program.

CHA's website (ConsumerHealthAlliance.org) includes consumer information. Our communications efforts have successfully disseminated information to consumers through media outlets across the country. (NOTE: Refer to Appendix III for examples and links to news stories featuring CHA and/or discount health care programs.)

CHA and our member companies recognize that the success of the discount health care industry depends not only on our ability to offer discounts on health care products and services, but also on our ability to deliver quality and reliable customer service. (NOTE: Refer to Appendix IV for a complete list of CHA members.)

As such, CHA developed a Code of Conduct that established mandatory standards for discount health care companies to operate with integrity, fairness and accountability. The Code of Conduct pre-dated most state regulation. In fact, it was used as a model for state laws. The Code of Conduct was updated after ACA enactment to require disclosure that discount health care programs do not satisfy the ACA insurance mandate, even though that disclosure is not legally required.

Unlike some trade associations which exist to defend against laws and regulations, CHA has welcomed the opportunity to work with state legislatures and regulators to provide appropriate consumer information and protection, create tools to prevent anti-consumer behavior, and allow legitimate companies to continue to provide access to affordable health care without unnecessary burdens.

In this regard, CHA has worked with legislatures and regulators in over 25 states in recent years to enact legislation, including the adoption of a model law by the National Association of Insurance Commissioners in 2006.

Since that time, millions of Americans have used discount programs to access substantial savings on health care products and services. According to consumer estimates from the 2016 Discount Health Care Program Survey, nearly 27 million Americans are currently members of a discount program.*

Today, CHA is governed by leading national companies in the discount health care industry, including Careington International, Coverdell, DentalPlans, and New Benefits. We continue to fulfill our mission of educating consumers, promoting consumer-friendly business practices, and interacting with regulators to ensure that consumers can continue to access discount programs that make health care products and services more affordable.

Nearly 27 million Americans are members of a discount program.*

Industry Regulations

Because discount programs provided clear benefits, did not take on financial risk like insurance products, and generated few consumer complaints, the industry was largely unregulated for many years.

However, more than a decade ago, some fraudulent operators entered the market offering discounts on physician services and attempted to mislead consumers into believing discount programs were insurance.

Through the quick response of regulators and the involvement and support of CHA, states enacted laws strictly regulating the industry. These laws were targeted to solving the actual threat posed by potential fraudsters, yet were practical for legitimate companies. As a result, the regulation drove the fraudulent operators out of the market while allowing established discount programs to continue serving the expanding market for affordable health care products and services.

Today, 34 states directly regulate discount health care programs, of which 23 require programs to be licensed or registered with the state (typically with the state insurance department). High levels of consumer protection are written into these statutes and enforced by state insurance departments.

These laws require extensive disclosures for consumers in both sales and membership materials, including:

- That the discount program is not insurance.
- Written materials that clearly communicate membership terms.
- Accurate information about the discounts that members will receive.
- An up-to-date list of participating providers that is available before purchasing the discount program.
- Contracting requirements with providers that ensure their participation.
- A 30-day cancellation period along with customer service to address any questions and concerns of consumers.

With these laws in place, consumer satisfaction is high and complaints and member concerns low. More than 60% of discount program members express satisfaction with their discount program, vs. 8% that are not satisfied.* CHA continues to work with regulators to enhance regulation in a manner that improves the consumer experience and protects the integrity of discount programs.



Legislation Notes

In addition to state legislation regulating discount programs, Congress and state legislatures have enacted other laws endorsing discount programs.

The Federal Employee Dental and Vision Benefits Enhancement Act of 2004 (Public Law 108-496) required the Office of Personnel Management (OPM) to establish arrangements under which supplemental dental and vision benefits will be made available to federal retirees, employees and their dependents.

This legislation specifically authorized stand-alone discount dental and vision programs to be among the plans that are offered. While OPM has not yet made discount programs available, many Federal Employee Health Benefits (FEHB) insurance plans already provide federal employees with some discount health care benefits, including: discount dental, vision, hearing and alternative medicine.

Medicare also approved the use of more than 30 prescription drug discount programs in 2004 as part of the transition to the Part D prescription drug insurance plan. The Medicare prescription drug discount program was

successful in quickly giving seniors access to affordable prescription drugs during the period when the Part D insurance plan was being developed.

In 2014, the State of Texas began offering a discount dental program to its employees and retirees alongside dental insurance options.

Today's Health Care Landscape

For years, health care costs have continued to rise—straining the budgets of individuals, families and businesses.

While health care reform brought access to health insurance for millions of Americans who were previously without coverage, the changes also left high out-of-pocket costs in many cases.

As the rising costs and changing health care landscape have hit the pocketbooks of many Americans, consumers have looked for ways to make needed health care services more affordable.

The following statistics show just how costly health care can be in the U.S.:

- National health expenditures will hit \$3.35 trillion this year, which works out to \$10,345 for every adult and child, per a 2016 report from the Department of Health and Human Services.¹⁰
- Medical bills are the leading cause of bankruptcy in the U.S., according to a 2014 report and analysis by NerdWallet Health. Beyond bankruptcy, it was estimated that nearly 56 million Americans between the ages of 19 and 64 will have trouble paying for their medical bills.¹¹
- According to the 2016 Milliman Medical Index, a family of four with employer benefits averaged \$4,312 in out-of-pocket health costs while contributing \$6,717 to their insurance plan.¹²
- Fidelity Investments estimates that a 65-year-old couple retiring in 2016 will need \$240,000 to cover future medical costs. This estimate does not include the cost of long-term care.¹³

Discount Programs Moving Forward

Discount health care programs began as a mechanism to help consumers save money on supplemental health care services. The need for affordable health care will undoubtedly continue to exist, and discount health care programs will continue to fill that need.

Discount programs are a good fit with many features and trends in the health care marketplace, such as:

Consumer-Directed Care

Several trends are converging to reduce the numbers of Americans who have employer-provided coverage for supplemental services.

First, as costs for medical coverage continue to increase, fewer employers are paying to provide their employees with products like dental insurance. Second, baby boomers whose employers still provide dental coverage are now retiring. These trends leave ever-increasing numbers of workers and retirees who will now be required to pay for supplemental care on their own.

Since most dental insurance has annual maximums, it is essentially a means of managing dental costs. Discount dental programs do this as well. More consumers will compare the costs and benefits of these choices, and many will choose a discount dental program.

ACA Implementation

Insurance plans offered through employers or under the ACA cover essential health benefits. They do not cover everything. Supplemental services like dental and vision for adults, hearing and chiropractic are not covered for mil-

lions of people. Discount health care programs offer consumers a way to save (to get affordable care) on those health care needs.

Further, the ACA – whether through available subsidies or mandates – has brought millions of Americans into the health care marketplace. Many of these consumers are shopping for the best way to manage the cost of their basic medical care. These same consumers have expressed a growing awareness and desire to save money on their supplemental health care needs as well.

To the extent that policymakers constrict or replace the ACA, the marketplace is unlikely to offer health insurance that provides comprehensive coverage of supplemental benefits.

Increased Focus on Wellness

Many discount programs include wellness programs such as weight loss, smoking cessation and fitness memberships. Use of discount health care programs contributes to better public health and reduced health care costs.

Price Transparency

Discount programs are at the forefront of making health care pricing more transparent. Many discount health care programs offer services on a discounted fee schedule that is made available to consumers. This not only informs the consumer of what he or she should expect to pay, it allows the consumer to compare prices among different health care providers.

As health care costs continue to rise, and coverage of supplemental services falls, more consumers will need to look for alternative ways of making those supplemental services more affordable. Discount health care programs will fill this need by offering a low-cost means of saving consumers money on needed services.

Appendix I: 2016 Discount Health Programs Survey

Despite more than two decades of success, the discount health care industry has lacked key data about the market and its customers. This is partly due to the fact that discount health care programs have no limits on usage, which means usage is not tracked. The industry needed credible data to present the scope and value of discount programs.

CHA retained Leavitt Partners to conduct an analysis of the discount health care program market. Leavitt Partners was tasked with the following specific mandates:

- Provide estimates for the size of the discount health care market.
- Evaluate the value proposition of discount health care programs.

To conduct the 2016 Discount Health Care Programs Survey, Leavitt Partners screened a nationally representative panel of 18,489 consumers for membership in a discount dental or vision program—of which 1,109 qualifying consumers were surveyed online. In addition, a nationally representative panel of 525 dental and vision providers participating in a discount provider network was assembled and then surveyed by a contracted call center.

The complete raw data from the survey is available to purchase [here](#).

Appendix II: References

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Appendix III: News Stories



AARP Bulletin
["Discount Dental Plans are Something to Smile About"](#)



BenefitsPRO
["Discount Benefit Plan Industry Matures"](#)



Benefits Selling
["Discount Plans' Growing Popularity"](#)



Center for Health Reporting
["Extracting the Pain from Your Dental Plan"](#)



CNBC
["Take a Bite Out of Dental Bills"](#)



Consumer Reports
["Dental Insurance That Will Save Your Smile"](#)



Forbes.com
["11 Tips for Saving on Health Care Costs All Year Long"](#)



FOX Business
["Medicare's Maze – How to Maximize Benefits"](#)



Investor's Business Daily
["Five Dental Choices for Retirees"](#)



U.S. News & World Report
["7 Ways to Keep Your Health Care Costs in Check"](#)



WebMD
["6 Tips for Lowering Dental Costs"](#)



WPVI-TV ABC Philadelphia
["Saving with 6abc: Save on Health Care Costs"](#)

Appendix IV: Consumer Health Alliance Members

BOARD MEMBERS



EXECUTIVE MEMBERS



AFFILIATE MEMBERS





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