

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051
<https://oversight.house.gov>

November 18, 2024

The Honorable Merrick Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Ave, NW
Washington, D.C. 20530

Dear Attorney General Garland:

The Committee on Oversight and Accountability is continuing its oversight of the impact consolidation in vision care markets has had on consumers. Consolidation in the vision insurance market raises concerns about the potential for increased costs to patients and fewer choices. We request a staff-level briefing and certain documents and information related to the Department of Justice's (DOJ) work to ensure consolidation in the vision care market does not detrimentally impact patients.

According to reports, two companies control 85 percent of the market share of the stand-alone vision insurance plans.¹ In fact, in 42 states one company controls at least a plurality of the vision insurance plan market.² In 28 states, a single company controls more than 75 percent of the vision insurance plan market.³ Concerns over consolidation in the vision insurance market are extensive and raise serious questions over their potential impact on patients. Vision benefit managers (VBMs) own, operate or affiliate with, eyeglass and lens manufacturers, laboratories, and retail locations that employ eye care providers. Through these ownership and affiliation agreements VBMs have fully integrated the vertical supply chain of vision care. The vertical integration has allowed VBMs to provide favorable copays to steer patients to stores they own while simultaneously charging plan sponsors higher rates.⁴

Furthermore, it appears that the consolidation in the market is not finished. In October of this year, a major VBM, VSP Vision Care (VSP) announced its plans to purchase Eyemart Express, a retailer that operated stores in 42 states.⁵ VSP already provides vision insurance for 82 million Americans nationwide.⁶ This includes a reported 1.4 million covered lives in the Federal Employees Dental and Vision Insurance Program (FEDVIP).⁷ VSP has also provided financial

¹ Stephanie Guinan, *What Are the Largest Vision Insurance Companies?*, VALUEPENGUIN, (Jul. 6, 2023).

² *Id.*

³ *Id.*

⁴ David Lazarus, *Column: Vision insurers have rigged the market to get you to buy their glasses*, LOS ANGELES TIMES, (Mar. 19, 2019).

⁵ *VSP Vision Enters into Definitive Agreement to Acquire Eyemart Express*, Vision Monday, (Oct. 9, 2024).

⁶ *About VSP*, VSP VISION CARE, (2024).

⁷ *Highly-Concentrated Vision Insurance Market Increasing*, MARK FARRAH ASSOCIATES, (Jan. 12, 2023).

incentives to providers who push frames that VSP has owns or has affiliations with without consumer's knowledge.⁸

This type of consolidation and anticompetitive practices are similar to those found by the Committee in its investigation into Pharmacy Benefit Managers (PBMs).⁹ The Committee identified several examples of PBMs utilizing their position as middlemen and vertical integration to steer patients to entities they own, drive competitors out of business, increase costs for patients, and utilize market opacity to prevent oversight of their actions.¹⁰ The Committee is concerned that these same practices are being used by VBMs to the detriment of patients.

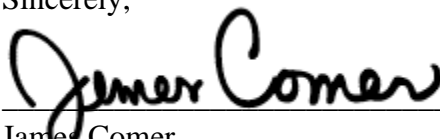
To understand the impacts consolidation of vision insurance plans and their vertical integration with manufacturers have had on consumers, please make arrangements to schedule a briefing with Committee staff on this matter as soon as possible, but no later than November 25, 2024. Additionally, please provide the following documents and information as soon as possible, but no later than, December 2, 2024:

- 1) All documents and communications related to the DOJ's review of consolidation in vision care markets;
- 2) All documents and communications related to the potential acquisition of Eyemart Express by VSP; and
- 3) All documents and communications related to the DOJ's review of anticompetitive practices by any entity within vision care markets.

To schedule the briefing or to ask any related follow-up questions, please contact the Committee on Oversight and Accountability Majority staff at 202-225-5074. Attached are instructions for producing the documents and information to the Committee.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate, "any matter" at "any time" under House Rule X. Thank you for your attention to this important matter.

Sincerely,



James Comer
Chairman
Committee on Oversight and Accountability

cc: The Honorable Jamie B. Raskin, Ranking Member
Committee on Oversight and Accountability

⁸ *Id.*

⁹ *The Role of Pharmacy Benefit Managers in Prescription Drug Markets*, H. Comm. On Oversight and Accountability, (Jul. 23, 2024).

¹⁰ *Id.*