



LASIK Will Propel Ophthalmology Market to Greater Heights

NEW YORK – Fulfilling a demand for both traditional and advanced refractive vision correction (RVC) treatments will propel the ophthalmology market to become one of the largest healthcare sectors over the next ten years, according to a report by life science market research publisher Kalorama Information.

The report, “Advances in Ophthalmology: Markets in the Treatment of Eye Disorders and Corrective Vision, 2nd Edition,” indicates that the popular RVC procedure LASIK is performed between 1.1 and 1.4 million per year in the U.S. alone and physician fees exceed \$2 billion per year.

LASIK surgery was first introduced more than ten years ago and is now a mature industry with many providers and 95 percent patient satisfaction rate. But this pool of candidates is diminishing in part due to fears of falling in the 2-5 percent of patients who experience problems and partly due to the current recession – in early 2009 some clinics reported a 50 percent decrease in surgeries compared to early 2008. Patients are waiting out the economy before spending money on elective procedures.

“The U.S. LASIK market is approaching saturation and that’s great for consumers,” said Bruce Carlson, publisher of Kalorama Information. “Competition between vision care centers, ophthalmologist offices, and eye clinics has pushed prices down making LASIK procedures affordable to many more prospective patients. Special advertised pricing, promotions, and payment and financing plans are also bringing in new patients.”

Given the complexities of RVC’s fragmented technologies, operating as a solo practice is increasingly challenging and competitive realities have triggered the growth of vision care centers. While a few practices are high volume LASIK/laser producers, the vast majority is just getting by.

The expansion of vision care centers will continue as more medical professionals find this a more financially appealing alternative. With this growth, some centers are also expanding their provider services to diversify their RVC business, adding multiple treatment modalities.

During 2008, the world RVC market showed an overall decline of 0.4 percent globally from \$5.86 billion to \$5.83 billion. Although the number of procedures increased from 2.99 million to 3.01 million, average procedure fees declined in 2008, primarily in the United States due to the recession and the competitive environment. Meanwhile, sales are going up globally as \$1000 procedures in countries like South Africa, Egypt, and Kenya are attracting international travelers for ‘LASIK vacations.’