

Competition in  
Professional  
Services

# optometrists

The Competition Authority is undertaking a study across a range of eight professions in the construction, legal and medical sectors of the Irish economy. The specific professions being reviewed are engineers, architects, dentists, optometrists, veterinary surgeons, medical practitioners, solicitors and barristers

June 2006



**The Competition Authority**  
An tÚdarás Iomaíochta

## EXECUTIVE SUMMARY

1. The optometry profession in Ireland is an example of a profession where competition is generally working well. Many of the unnecessary restrictions the Competition Authority has found in other professions are not present in the optometry profession. Irish consumers benefit from having a choice in how to avail of quality optometry services. Consumers also benefit from freely available information about the range, location and price of those services.
2. The Competition Authority has found no evidence that restrictions on competition have contributed to increasing prices for optical examinations, spectacles and contact lenses. However, the Competition Authority has a number of minor concerns relating to rules and practices which may inhibit competition in the supply of optometry services. Accordingly, the Competition Authority makes five recommendations in this report designed to enhance and protect competition in optometry services. Implementation of these recommendations will:
  - Reduce waiting times for certain school children who require eye examinations;
  - Make it easier for new optometry practices to offer services to consumers;
  - Make it easier for consumers to compare the price and range of optometry services on offer;
  - Bring the composition of the Opticians Board into line with other regulators of health professions and the principles of better regulation; and
  - Ensure a sufficient supply of optometrists to meet long-term demand for optometry services.
3. There are four eye-care professions in Ireland - optometrists, dispensing opticians, orthoptists and ophthalmologists. This report concentrates on the services offered to consumers by optometrists and dispensing opticians. Many consumers refer to these two professions collectively as opticians. Ophthalmologists and orthoptists are outside the scope of this report and are referred to only where their functions overlap with some of the functions of optometrists.
4. The main functions of the eye-care professionals are as follows:
  - Optometrists carry out eye examinations and dispense spectacles and contact lenses;
  - Dispensing opticians dispense spectacles and contact lenses as prescribed by optometrists or, less frequently, ophthalmologists;
  - Orthoptists are involved in the assessment, diagnosis and management of disorders of the eyes, extra ocular muscles and vision; and
  - Ophthalmologists are medical practitioners who treat diseases and conditions of the eye.
5. The optometry profession in Ireland is regulated by the Opticians Board, established under the Opticians Act 1956. Under the Opticians Act it is unlawful for a person to use the title of optometrist or to practise as an optometrist without being registered by the Opticians Board.
6. The vast majority of the 612 optometrists in Ireland operate in the private sector. Between 75% and 80% operate as sole traders or in small practices while others are employees of larger companies. The State is the largest single purchaser of optometry services and subsidises optometry services through a variety of schemes. In 2005, the State paid €27.5 million in respect of optometry services provided by optometrists and dispensing opticians.

7. The regulation of the optometry profession ensures that all appropriately qualified persons are allowed to offer their services to consumers, regardless of their nationality or where they trained. This has ensured an expanding supply of optometrists and prevented significant problems developing as a result of the limited number of training places in Ireland as well as the growing demand for spectacles and contact lenses.
8. The Competition Authority has found only one area where optometrists are prevented from providing services that they are qualified to provide. The State provides free eye examinations to children but it does not reimburse optometrists if they provide these services. Parents must instead take their children to State-employed specialist medical practitioners (ophthalmologists), unless they choose to pay privately for an optometrist to provide an eye examination. Reimbursing optometrists who offer this service would be a more efficient and effective way of delivering eye care services to children through reduced waiting times and reduced costs to the State.
9. The Competition Authority has also identified some unnecessary advertising restrictions which impede competition between optometrists. The rules of the Opticians Board and the Association of Optometrists Ireland forbid canvassing and comparative price advertising by optometrists. Current consumer law protects the public from untruthful and inaccurate advertising. However the restrictions placed on optometrists by banning canvassing for business and comparative advertising go beyond what is necessary to protect the public from untruthful and inaccurate advertising. These restrictions should be removed as they unnecessarily obstruct new optometry practices trying to establish themselves and offer their services to consumers. These restrictions also unreasonably hinder consumers trying to compare the prices and services on offer. The functions of the Opticians Board should be set out in legislation to include the objective of protecting consumers from harm, with regulations that are proportionate and do not unnecessarily hinder competition between optometrists.
10. Potential conflicts of interest arise from the membership structure of the Opticians Board. Under the Opticians Act 1956, the Opticians Board is almost entirely composed of members of the optometry and medical professions. In principle it is not necessary, proportionate or transparent for a regulatory body to be run mainly by the profession being regulated. The Competition Authority therefore recommends that the composition of the Opticians Board should be changed to ensure that a majority of the Board are neither optometrists nor dispensing opticians but lay people. Implementing these recommendations will ensure that the composition of the Opticians Board is consistent with best practice for regulators of professionals in general and specifically with recent developments in other health professions.
11. In conclusion the optometry profession in Ireland delivers a consumer focused service. Consumers are always treated by qualified professionals and all services can be traced back to the optometrist who provided them. Irish consumers can choose from a variety of optometry service providers. The more traditional sole trader practice competes side by side with franchise-type outlets. Optometrists compete with one another through strategic location, range of products and price competition, to the benefit of their customers. They engage in informative advertising of the price and range of optometry services on offer. Optometrists offer their services in a way that empowers consumers to make informed choices about the care of their eyes from the provider that suits them best. These benefits to consumers are due in part to the lack of serious restrictions on competition.

## Recommendations

<b>Recommendation 1:</b>	<b>Allow optometrists to provide State-funded eye examinations to children identified at national school exit screening</b>
<b>Details of Recommendation</b>	<b>Action By</b>
The Health Service Executive should allow optometrists to provide State-funded eye examinations for qualifying children identified at national school exit screening examinations.	Health Service Executive December 2006
<b>Recommendation 2:</b>	<b>Review the number of training places for optometrists</b>
<b>Details of Recommendation</b>	<b>Action By</b>
The Higher Education Authority should undertake a detailed review of the number of optometry training places to assess whether the current number of places is sufficient to meet future demand for optometry services in Ireland.	Higher Education Authority December 2007
<b>Recommendation 3:</b>	<b>Remove unnecessary restrictions on advertising</b>
<b>Details of Recommendation</b>	<b>Action By</b>
(a) The Opticians Board should remove all its restrictions on advertising with the exception of prohibiting advertising which is false or misleading.	Opticians Board December 2006
(b) Following amendment of the rules of the Opticians Board in relation to advertising, the Association of Optometrists Ireland should amend its Code of Ethics accordingly.	Association of Optometrists Ireland Within six months of the Opticians Board amendment of its advertising rules
(c) If the Opticians Board does not remove its restrictions on advertising, the Minister for Health and Children should bring forward legislation to amend the Opticians Act 1956 to limit the powers of the Opticians Board in relation to advertising. The powers of the Board should be limited to ensuring that advertising by those regulated by the Board is not false or misleading.	Minister for Health and Children June 2007

<b>Recommendation 4:</b>	<b>Set out the functions of the Opticians Board in legislation</b>
<b>Details of Recommendation</b>	<b>Action By</b>
<p>The Minister for Health and Children should bring forward legislation to amend the Opticians Act 1956 to:</p> <p>(a) Set out the functions of the Opticians Board;</p> <p>(b) Provide that the Board shall be obliged to publish an Annual Report within four months of the end of every calendar year; and</p> <p>(c) Specify that one of the functions of the Board shall be the protection of consumers, and any rules put in place by the Board should be proportionate and should not unnecessarily hinder competition among those regulated by the Board.</p>	<p>Minister for Health and Children</p> <p>June 2007</p>
<b>Recommendation 5:</b>	<b>Change the composition of the Opticians Board</b>
<b>Details of Recommendation</b>	<b>Action By</b>
<p>The Minister for Health and Children should bring forward legislation to amend the composition of the Opticians Board, as set out in the Opticians Act 1956. The revised legislation should provide for an Opticians Board that is representative of a large number of stakeholders, none of whom should be in a majority.</p>	<p>Minister for Health and Children</p> <p>June 2007</p>