## **THE DIRECT PRIMARY CARE JOURNAL**

# Specialties & DPC

Pediatric Concierge Care; Neurology; Cardiology; Urgent Care; Chiropractic; Anti-aging And Hormone Replacement; Acupuncture; Gynecology; Dentistry; Addiction Recovery Medicine and More.

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#### By Michael Tetreault, Editor

**MAY 1, 2014 -** The research and data collection arm of *The Direct Primary Care Journal*, <u>The</u> <u>Collective</u>, examined 500 direct-pay and cash-based medical practices in four of the most popular states in which direct primary care, cash-only clinics and retail healthcare offices are located from April of 2013 thru April of 2014 looking at them from a specialty perspective. They found that among the operating physician practices in California, New York, Georgia and Florida, four of the top 5 most highly populated states in this industry, the following:

- 42% of Cash-based, Direct-Pay Practices are Internal Medicine/Primary Care
- 27% of Cash-based, Direct-Pay Practices are Family Medicine.
- 17% of Cash-based, Direct-Pay Practices are Osteopathic Medicine.
- 14% of Cash-based, Direct-Pay Practices are specialty physicians, which range which include: pediatric concierge care; neurology; cardiology; urgent care; chiropractic; antiaging and hormone replacement; acupuncture; gynecology; dentistry and addiction recovery medicine.
- Many practices are expanding their operating hours to accommodate working Moms and Dads while continuing to remain open scheduling and offer same-day visits, Saturday's also.



#### PHOTO: By Rob Lamberts, MD | Physician | DPC Journal/CMT Contributor -http://more-distractible.org/

Unlike the high-end retainer-based, <u>concierge medicine</u> practices that made the news a decade ago, most cash-based, membership medicine, and directpay physician practices cost less than \$130 per month. But, when our team examined these practices a little deeper, looking at basic service offerings, etc., we learned that general primary care and visits to the practice for annual physical examinations are not enough to keep patients happy and coming

back year after year.

"It's the one and done patients that take the most time and cost my practice the most," says direct primary care doctor Rob Lamberts, MD who operates a unique direct primary care medical home in Augusta, GA.

#### **Adding Value To The Practice**

*The Direct Primary Care Journal's* team learned very quickly that only four out of every ten <u>direct-pay doctors offices</u> are working with and negotiating discounts with local labs in their area for services such as: PAP Smears; X-Rays; MRIs; Colonoscopy; Genetic/DNA Tests; and more.

"I've been working on adding new services as well," adds Dr. Lamberts. "One of the first things I did when I opened the office was to negotiate a very inexpensive fee schedule from a lab who would bill me for the tests. Most docs mark up the tests and make a profit off of it, but I do very little mark-up of the tests, instead offering things like a CBC for \$4.50 and a TSH for \$8.00. I am now working on doing the same thing with an x-ray facility, giving them the opportunity to get guaranteed cash up-front [reducing their overhead] while avoiding the many traps of compliance

with Medicare billing [which forbids providers from giving discounts to other patients that they don't give to Medicare patients]."

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Dr. Robert Nelson of MyDoc in the Atlanta metro area, a DPC doctor, states "If you walk into a Quest or Lab Corp facility the cash price for a routine blood chemistry panel (CMP) will be \$62.58 and \$46, respectively. I can offer the same exact lab test to my patients for \$15, which covers my costs and the time related to clinical follow up as well. This shows the power of free-market leverage when you get out from under the third-party payment model. The good news is that these direct fees paid to direct-pay physicians or discount labs can still be applied towards a deductibles and always go towards total out-of-pocket expenses for the year."

CNNMoney reports "By cutting out the middleman, [one doctor] said he can get a cholesterol test done for \$3, versus the \$90 the lab company he works with once billed to insurance carriers. An MRI can be had for \$400, compared to a typical billed rate of \$2,000 or more."



"We also had to acknowledge that, while our services were extensive [at our physical practice], certain activities couldn't be performed at <u>North</u> <u>Vista Medical Center</u>," said Drs. Clint Flanagan and David Tusek of Firestone, CO. "We've always believed in being a patient's 'healthcare quarterback,' so we negotiated highly competitive rates for lab and imaging services within our market. We determined the services most crucial to our patients, educated ourselves about available resources in our community, and created a list of options with full cost transparency."

Clint Flanagan, MD

**Related:** <u>Medical Center Alliance Conference Targets Hospital</u> Physicians, Administrators and Medical Center Executives</u>

A sampling of <u>Nextera Healthcare</u> rates provide by Nextera to <u>*The Direct Primary Care Journal*</u> is as follows:

- CBC \$5
- CMP \$5
- HgbA1C \$11
- Lipid panel \$5
- Uric acid \$5
- Vitamin D \$28
- Ferritin \$8
- TSH \$8
- Cardio CRP \$16

"The cost savings we achieved for our patients was tremendous, thanks to our long-standing community and business relationships," adds Flanagan. "For example, the combined costs of the above tests would be \$630 for a self-pay patient, yet our rates meant all tests combined would cost a Nextera Healthcare member just \$91 out-of-pocket."

"We negotiated similar discounts for imaging services," notes Tusek. Nextera Healthcare's fees are as follows:

- MRI non-contrast \$450
- MRI with contrast \$650
- Athrogram \$650
- CT without contrast \$300
- CT with contrast \$400
- CT with both \$450
- Ultrasound \$190
- Ultrasound vascular \$250
- Ultrasound pelvic \$250
- Ultrasound breast \$100
- Upper GI \$130
- Barium swallow \$90
- X-ray 2 to 3 views \$60
- X-ray 4-plus views \$90

### Interestingly, this is all happening at a time when the rise of health care costs has gone into pause.



PHOTO: Dr. Tiffany Sizemore-Ruiz, physician, author and blogger. Dr. T is known for giving a little tough love, but she cares immensely for her patients. She truly treats every patient as if they were a family member, and will always give advice based upon that ideal. Tel: 954.523.4141

"I have noticed that any patient that comes in as a "cash pay" will always pay less than what a hospital or imaging center is billing the insurance for the same test. Also, remember, that some tests ordered are

not typically covered by insurance (like a coronary CT) so, cash prices are extraordinarily important for these scenarios," says Dr. Tiffany Sizemore-Ruiz, a doctor in the Miami/Fort Lauderdale Area.

The actual cost of medical care fell for first time since Gerald R. Ford was president of the United States.

"I can get much cheaper prices for my patients. My PSA's are \$30.00 and Lipids \$15.00 ... and that is with a mark-up. General Health Screens (CBC, Thyroid, Liver Kidney and glucose tests) are \$35 at my office. Next door at the lab, GHS SOT is greater than \$200 and Lipids are higher than \$100," says Dr. Sizemore-Ruiz.

#### So what's behind the slowdown in health care spending?

Clark Howard writes, 'First, employers are switching to high deductible health plans where you are responsible for so many thousands of dollars upfront before the company picks up the tab. When that happens, you start to treat health care like a consumer and become more cost conscious. Second, generic drugs are on the rise, which keeps the cost of health care down.'

Bob Adelmann wrote in *The New American*, 'Naturally the insurance industry isn't too happy about it, but at present there's little they can do. For the moment, "concierge" medicine and its more modest iteration, "direct pay" medicine, is increasingly being seen by patients and doctors alike as a way out of the maze of medical practice requirements caused by government intervention in what used to be a simple transaction: a private matter between a doctor and his patient.'

#### The Anti-Aging Side of Membership Medicine

"Incorporating unique anti-aging and medical home solutions into their practice across the U.S. from 2012 to 2014," says Catherine Sykes, Publisher of <u>*The Direct Primary Care Journal.*</u>. "These [cash-based and direct-pay] doctors are by choice and nature, treating nearly 90% of their patient's healthcare concerns, ailments and needs each year. But that relationship can get repetitious year after year so doctors are adapting. They're learning what's successful from their own patients and finding out what's appealing to their audience because these physicians and staff are actually talking consistently with each patient more often than before."

"My focus is on being a trusted advisor and I don't want to have any potential conflict of interests," said <u>Shira Miller, MD</u> of Sherman Oaks, CA. "For example, a lot of doctors make money on supplements, for me I take that out of the equation. In terms of my practice, I just want to focus on providing the best advice I can give my patients, not worrying about making money off retail."



"There was a time when patients valued their family doctor, trusted our opinion and called us after hours to help decide if symptoms needed urgent attention or could wait," says Dr. Ellie Campbell of Campbell Family Medicine, a <u>direct primary care practice</u> in Cumming, GA in an interview with <u>The Direct Primary Care</u> <u>Journal</u>. "Our phone trees, answering services, and after hours call-sharing doctors make it unlikely that any given patient will actually speak to their own doctor. So they don't bother, and they seek care wherever it is most convenient."

Many of these doctors offices are also are incorporating

a vast number of added-value services for patients to aid in patient satisfaction and retention. Services include: Heart burn and gastrointestinal disorders; B12 injections; Vitamin deficiencies; Hormone balancing therapies; Mole checks; Testosterone injections; Medically supervised fat loss programs and a diverse collection of other wellness-focused and anti-aging solutions.

"I give a lot of B12 injections and testosterone injections for those who need it," says Dr. Sarah Mildred Gamble, D.O. of Greenwich, CT who runs a thriving retainer-based practice. "I also do a lot of in office procedures like mole checks and removal, trigger point injections ... and then there is my Botox/fillers appointments too."

<u>The Collective</u> has also found that the concierge medicine and direct primary care clinics that are introducing anti-aging service and a medical home philosophy in their local markets are seeing patient foot traffic double or even triple in each and every age group from six to sixty.



#### PHOTO: At ACAM in Palm Springs, CA. 2013 --Photo Credit: Shira Miller, MD -- Shira Miller, M.D. The Integrative Center for Health & Wellness A Concierge Holistic Medical Practice in Sherman Oaks, CALIF.

Dr. Shira Miller runs a Concierge Holistic Medical Practice in southern California that focuses specifically on anti-aging and Menopause. So popular infact, she's become 'Facebook's Most Popular Menopause Doctor.'

"I work to ensure 100% of patients... visit at least once per year," notes Dr. Miller. "When Mother Nature quits, I'm here to help you keep your [the patient's] mind, body, and sex life healthy as you age."

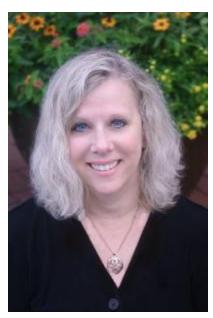
"The anti-aging and medical home delivery model fits well inside a concierge medicine [and direct care] practice," says Sykes. "The nutritional component, the wellness solutions, the antiaging and team-focused health care delivery professionals led by a concierge [or direct care] doctor are providing comprehensive and continuous health care services to patients year after year that they simply can't find elsewhere. This combination is increasing patient retention and patient interest in the concept. The goal here is healthy outcomes for patients followed by increased patient retention outcomes for the physician year after year."



#### PHOTO: Dr. Alexa Faraday - Office: 855.372.5392

"Many of my female patients choose for me to their annual gyn [gynecology] exam, but those who have their own gynecologist follow with them," writes Dr. Alexa Faraday to trade journal, *Concierge Medicine Today*. Dr. Faraday is a Board Certified Physician in Internal Medicine operating a successful direct-pay medical practice based in Baltimore, MD.

"What I found interesting was that when I left my old practice -- I had a 10% Medicare



population. That fraction has grown to almost half, suggesting to me that some of the folks most interested in this model are older patients," adds Faraday.

*The Direct Primary Care Journal* has also reported that Menustyle lists displayed inside doctors offices with simple price lists for healthcare services [think restaurant or Value Menu Meals at Fast Food chains] which require payment up front or before they leave the office is becoming more and more popular. *The Wall Street Journal* reported just last year that when physicians eliminate insurance billing from their daily activities, it can cut 40% of the practices' overhead expenses, enabling them to keep fees low.

**Related:** <u>Wall Street Journal: "Pros and Cons of Concierge</u> <u>Medicine"</u>

**PHOTO ABOVE: Dr. Ellie Campbell is the founder, owner, and sole physician in Campbell Family** Medicine in North Metro Atlanta -- Tel: 678-474-4742

"Patients value speed and low cost most of all for most minor complaints," notes Dr. Campbell. "Even my patients who pay a membership fee for all of their covered and non-covered services including 24-hour access to my personal email and cell phone number, and whose care for these complaints would be covered without additional cost, still use these [retail medicine style] health providers [i.e. CVS, MinuteClinic, TakeCare Clinic, etc.]. Many patients say, 'I just did not want to bother you on the weekend, and I was near there anyhow.' As long as we live in a world of drive-though windows, ATMs, and garage door openers, patients are going to value and pay for any service that gets them in and out quickly, on their time schedule, with their desired objective. We [Concierge Medicine and Direct-Pay Doctors] need to learn to adapt, as this delivery model of care seems here to stay. Unless we offer on site dispensaries, extended hours, and no appointment needed delivery, we will be deferring more urgent issues to these models. Perhaps then we will have more time to devote to preventing disease and reversing the burden of chronic conditions, if only we can convince third party payors that there is value in that."

Until just a few years ago, people mostly based choosing a doctor on the personal recommendation of a trusted friend or relative. Now with the advent of social media, word of mouth marketing is changing from a spoken word referral to a social media link referral. To find a direct primary care (DPC) doctor near you, visit <u>http://www.DirectPrimaryCare.com</u>.

#### **About The Direct Primary Care Journal**

The Direct Primary Care Journal is a media sponsor for this industry-wide Summit. The Direct Primary Care Journal (DPCJ) is an independent trade journal and online news reporting publication observing, reporting and connecting with experts from all facets of the DPC industry. For more information, news or to locate a physician, visit: <u>www.DirectPrimaryCare.com</u> or call (770) 455-1650.

#### About The Collective

The Collective is an independent health care research and data collection depository of the multimedia news and trade publication, Concierge Medicine Today based in Atlanta, GA. The Collective serves as an educational resource on all things concierge medicine and is geared towards those businesses, lobbyists, physician associations, health care advocacy groups and general consumers of healthcare who want to learn more about information available on the topic of concierge medicine. The Collective works in partnership with Universities, physicians, associations, businesses, individuals and even Graduate medical Students to further advance the educational awareness and facts surrounding unanswered questions about concierge medicine care in the U.S. and Canada. For more information, visit: <u>http://www.AskTheCollective.org</u> or <u>http://www.ConciergeMedicineToday.com</u>.

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