

Concierge Medicine: Convenient and Affordable Care

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Concierge medical practices take many forms and go by different names, such as direct practice physicians. They all strive to make medical care more accessible and convenient to patients by rebundling and repricing medical services in ways that are not possible under third-party insurance. The result is innovations that raise quality and improve patient care coordination.



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A few health insurers recognize the value of these services and reimburse enrollees for them, but concierge practices usually cater to cash-paying customers. Thus, they may be especially useful to patients who have a consumer-driven health account — such as a Health Savings Account (HSA), a Flexible Spending Account (FSA) or a Health Reimbursement Arrangement (HRA) — and to the uninsured.

Problem: Lack of Communication. Many patients experience difficulty reaching a physician by telephone or e-mail, or after office hours. Fewer than one-in-four doctors communicates with patients electronically. A routine prescription or answer to a simple medical question usually requires an office visit. The reason is simple: Most insurers generally do not reimburse physicians for phone or e-mail consultations.

Patients perceive that this lack of communication results in lower quality care. For instance, according to a survey reported in the *New England Journal of Medicine*, more than two-thirds of the public (72 percent) think “insufficient time spent by doctors with patients” is one cause

of preventable medical errors, and three-fourths (78 percent) think medical errors could be avoided if physicians spent more time with patients.

Problem: Inconvenient Care.

Many patients have difficulty finding a physician, obtaining an appointment and taking time from work for a traditional office visit. Often, the only way to reach a physician after hours is in a hospital emergency room — which is both costly and time consuming.

A study of medical access between 1997 and 2001 found that seeing a doctor has become increasingly difficult [see the figure]:

- The proportion of people reporting problems seeing their primary care physician rose from less than one-quarter (23 percent) to one-third over the four-year period.
- Nearly one-quarter reported problems taking time from work to see a physician.

Solution: Concierge Medicine.

Concierge physicians compete by offering services that reduce the time-cost to patients to access care and improve quality by utilizing new technologies. They bundle and price their services in ways patients deem valuable for the money they pay.

Convenient Access. Concierge practices offer patients access to doctors after traditional office hours by e-mail or telephone. Some concierge doctors even make house calls.

Quality-Improving Technology. Concierge practices usually include

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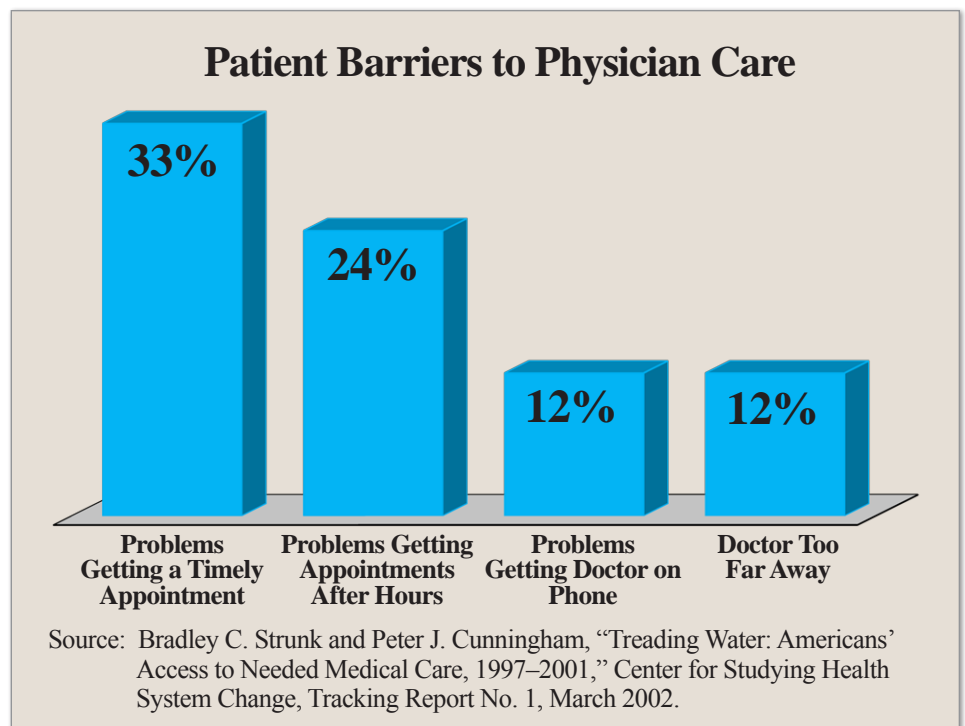
phone and e-mail consultations, and convenient Web-based services. They maintain medical records electronically and offer patients easy ways to convey their records to other physicians.

Bundled Services and Prices. Take DocTalker Family Medicine. This is the Virginia medical practice of Dr. Alan Dappen. Patients can schedule an in-office appointment or even request a house call, but about half of his consults are by e-mail or telephone.

Like an attorney, Dappen bases his consultation fees on the amount of time required. All patients must have an initial face-to-face consultation to establish care. There is no membership fee, but patients who prepay \$300 annually receive a discount of about 25 percent. Each five-minute phone consultation or e-mail consultation costs \$25. Nonmembers can buy services a la carte for \$33.33 per five-minute block after a \$150 initial check-up.

The office does not bill insurance companies for services, but most patients can easily file their own claim. Patient records are kept electronically for easy access.

Concierge Doctors for the Uninsured. Concierge medicine is normally associated with personalized services for the wealthy. These services can sometimes be expensive — in some cases more than \$2,500 per year per person. However, in suburban Collin County north of Dallas, Texas, physician Nelson Simmons offers a version of concierge service for less than \$500 per year. Aimed at small business employees who would otherwise likely be without employer-sponsored insurance, Simmons' practice has attracted about 70 small business owners who pay \$40



per employee per month. In return, employees get same-day primary care services and steep discounts on diagnostic tests and specialist care. Enrollees must pay out-of-pocket for specialist care, surgeries and diagnostic tests — but Simmons negotiates the rates, which are typically much lower than what others pay.

Another innovative medical practice is the *No Insurance Club* of Arizona. The annual individual membership fee is \$400 (\$600 per family) for up to 12 physician visits, after an \$80 sign-up fee. Most services during office visits are free, including immunizations. Generic prescriptions are \$4 or less.

Concierge Doctors for the Insured. There are also concierge practices that supplement other insurance plans, including Medicare. MDVIP is one such service. It provides same-day appointments, a comprehensive annual physical and access to a physician day or night by cell phone or e-mail. Electroni-

cally stored personal health records are available on a compact disk that patients can take to other providers. A physician practice is limited to 600 people, making access much easier than for traditional primary care physicians. When care from a specialist is needed, MDVIP physicians coordinate the care and assist with all decisions about the care received.

Conclusion. Concierge physician practices come in many forms — all designed to meet different patient needs. Some medical societies and states discourage doctors from having practices that offer exclusive access in return for an annual fee. However, these models offer convenient and affordable services for the uninsured, as well as supplementary care for the insured. Physicians should be free to experiment and create innovative practices that better meets the needs of patients.

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