

CONCIERGE MEDICINE: NEXT BEST THING OR TOO GOOD TO BE TRUE?

In the field of medicine, physicians are focused on providing the best possible care for their patients. Unfortunately, issues including patient overload and shortened patient visit times hamper physicians' ability to complete this mission for each and every individual they see. While this is the reality for everywhere from small-town clinics to metro hospitals, there is an alternative. Medical professionals are moving toward membership medicine in hopes to reduce burnout and improve their quality of care. The question is, is concierge medicine all it is cracked up to be?

ABOUT CONCIERGE MEDICINE

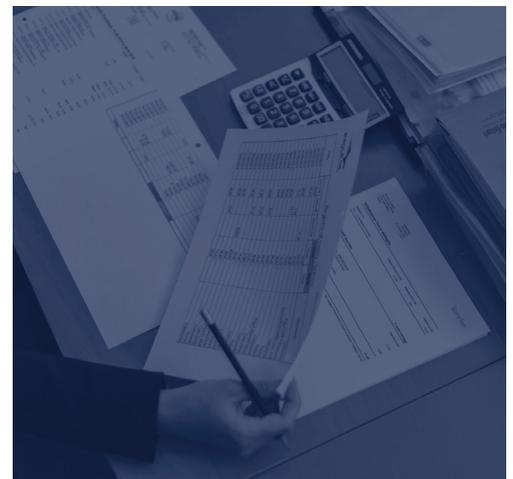
Concierge medicine has many names including retainer medicine and membership medicine. The approach of concierge medicine harkens back to the days when doctors performed house calls. These physicians provided a more personalized service than doctors of the 21st century in which they were able to develop a one-on-one relationship with their patients.

With concierge medicine, doctors are focused on this personalized relationship with their patients. This is a key proponent for this type of medical care approach. Concierge medicine allows a primary care physician to better understand their medical needs and current condition.

By managing the same patient over an extended period of time, a primary care physician can provide early detection of everything from sinus infections to hypertension. Thanks to the long term care provided by the same physician, patients are able to receive more accurate diagnoses. This saves both the patient and the doctor time and money on medical testing and exploratory treatments.

Right now there are approximately 800 to 5,000 primary care physicians who practice concierge medicine. However, thanks to the personalized, instant access approach that this type of medical care offers, more patients are seeing retainer medicine as a viable alternative to traditional health insurance.

Part of the turn toward acceptance has been the rise in health savings accounts and flexible savings accounts as an alternative to corporate health insurance. An HSA and FSA is a type of health insurance in which you save your own money, tax-free, in an account that you access when paying for medical services. As patients look for other alternatives for paying for health care, they are likely to become interested in the benefits that concierge care offers over conventional medical care.



RETAINER MEDICINE COSTS ON AVERAGE

The way concierge or retainer medicine works is that patients pay a retainer fee for medical services. This fee is charged on a monthly, quarterly, or yearly basis. This fee provides patients with standard services. Any additional services that are offered in the membership medicine are charged an additional fee.

According to Seattle Magazine, concierge care comes with an annual fee of approximately \$1,500 to \$2,000. The retainer amount varies based on the level of care and level of service provided to the patient. Furthermore, doctors in membership medicine are expected to provide more enhanced medical care. This may include traveling to visit a patient, visiting a patient in their home, or providing personalized all-inclusive wellness treatment.

The cost of concierge care is considered to be affordable thanks to the possible outcomes of personalized care, such as a reduction in hospital admissions. Take the study Personalized Preventative Care Leads to Significant Reductions in Hospital Utilization published in the American Journal of Managed Care in 2012.

REDUCTION IN HOSPITAL ADMISSIONS

In this study, hospital admissions rates across the board were lower when personalized preventative care was implemented. This type of care is known as the MDVIP model of personalized preventative care. This model provides patients with one-on-one care on par with the concierge model of medicine.

According to the research report, hospital admissions that were elective, non-elective, urgent, or emergencies, as well as unavoidable and avoidable, decreased for patients receiving personalized medical care. In addition, hospital admission rates for all reasons declined for individuals followed in the study from 2006 to 2010. This decline was by the rate of 42 percent in 2006 with a steady increase to 62 percent in 2010.

Another surprising statistic from the study is the number of Medicare patients who benefited from personalized preventative care. Those Medicare patients who were members of managed medicine saw a 79 percent decrease in the number of hospital admissions compared to nonmember Medicare patients.

This is an impressive number that shows just how well concierge medicine can work for Medicare patients. As a physician, here is a marketable opportunity for your business to be able to better help improve the health and wellness of your patient community. By offering concierge services for your community including those patients who are on Medicare, you are achieving your mission with managed medicine—to provide the best possible care for your patients.



APPLICATIONS FOR ARTIFICIAL INTELLIGENCE IN HEALTHCARE

For the healthcare industry, AI could prove to be a game-changer for everyone from the top pharmaceutical companies and hospital chains to the local medical practice. Virtually every aspect of the medical industry can be impacted by artificial intelligence, from robot-assisted surgeries to enhanced EHR performance.

In the research and development end of the medical arena, AI helps to find clinical trial participants and speeds up the development of potentially lifesaving medications. Virtual nursing and workflow assistants are freeing up desperately needed doctor and nurse time in the hands-on hospital environment, while virtual assistants help administrators better manage workflow and weed out fraud and reduce dosage errors.

When looked at in the light of continued pressure from the federal government and insurance companies to provide better-managed healthcare and improved population health at lower costs, AI can be of tremendous benefit in streamlining processes and closing healthcare gaps.

Here are some exciting examples of how artificial intelligence is being incorporated into the healthcare field on a rapidly increasing basis:

Streamlining Drug Discoveries

AI has the ability to vastly decrease the time and effort required from scientists to analyze data, study molecular binding capabilities, and find potential candidates for clinical trials. Substantial progress is being made in such once-unthinkable areas as Ebola and multiple sclerosis.

Machine Learning for Better Diagnoses and Faster Treatment

Pathologists are using enhanced machine learning algorithms to quickly analyze tissue samples and make far more accurate diagnoses based on the available data. Radiologists use AI to classify images more clearly, and offer a more accurate identification of cancer and other conditions. This will facilitate advanced care from the get-go, increase treatment options and improve patient outcomes.

Proactive Healthcare Management

In line with the goal of increasing patient engagement, artificial intelligence can be called upon to help patients better manage their own healthcare. It can be used to search for healthcare gaps, make appropriate recommendations, schedule appointments, manage prescriptions, and monitor testing for conditions such as diabetes and high blood pressure.

Better Emergency Room Pre-Screening

One of the more life-saving applications of AI-powered machines is in the area of detection, diagnosis, and treatment in the emergency room. AI can quickly digest input and prescreen patients for potentially life-threatening conditions so that appropriate measures can be taken by emergency room personnel.

SERVICES NOT COVERED BY CONCIERGE MEDICINE

If the patient needs specialized or advanced care, such as hospitalization or surgery, then those fees would be considered an additional charge. Other examples of medical treatments that would not typically be covered by the retainer fee include x-rays, vaccines, or blood work. Patients who require these services would need to pay cash for them.

UNDERSTANDING CASH-ONLY PRACTICE

One interesting aspect of concierge medicine is that it is a cash-only practice. Physicians who operate in membership medicine cannot accept insurance to pay for the retainer fees. Therefore, patients must pay cash or use credit to pay for their care. This is because the retainer fee is a sort of insurance policy for your care.

In addition, you cannot use a health savings account or flexible savings account benefits to pay for concierge medicine retainers. However, physicians are allowed to let patients use HSA and FSA benefits to pay for services in membership medicine. Also, these services can be charged to Medicare for patients. Check with your individual state to learn more about how Medicare benefits are managed for retainer medicine.

BENEFITS OF CASH-ONLY PRACTICE FOR PATIENTS

For patients who are unable to afford health insurance premiums for whatever reason, this is a viable alternative. For example, some individuals may have preexisting health conditions, be self-employed, or lack access to affordable health care in their state. Medical care providers interested in concierge medicine will want to identify these patient populations in their community. These are the patients who will most likely to benefit from a cash-only practice.

PHYSICIAN REWARDS OF CASH-ONLY PRACTICE

With a cash-only practice, physicians also reap several rewards. Doctors are able to set their own fee schedule. In addition, they are able to develop payment requirements that best suit their clientele, community, and business goals. More importantly, physicians can avoid having to negotiate these fees with insurance companies. For doctors who are tired of losing money to bargaining insurance reps, this is a welcomed relief from a major back-office stressor.

TYPES OF CONCIERGE MEDICINE

The payment and exchange of services vary within the concept of concierge medicine. However, there are three types of retainer medicine that is most commonly seen here in the US medical system.

Fee for Care

The Fee for Care or FFC model involves patients paying a monthly, quarterly, or annual retainer. In exchange, these patients receive the major of medical services they need or anticipate. For those medical treatments or services not covered, the physician will most likely provide these for an additional fee. Examples of such fees include laboratory testing or blood work. These extra treatments and services will need to be paid in cash at the time of services rendered.

Fee for Extra Care

The Fee for Extra Care or FFEC model follows the same approach as the FFC model. The only difference, which constitutes the Extra in FFEC, is the inclusion of a couple of services. With the FFEC model, you can charge your medical services to Medicare or another private insurance plan including HSAs and FSAs. If you are interested in serving patient populations that use Medicare or you plan to accept health insurance for services, then you will want to go with the FFEC model.

Making a Final Call

By providing your patients with concierge care, you help keep them out of the hospital. Lengthy hospital stays can lead to extraordinary medical expenses that bankrupt households. Here is one of the first financial benefits that managed medicine provides for patients. On the other hand, marketing your services to patients who are unsure about concierge medicine can be costly and time-consuming. Finding a way to get patients to understand and have confidence in retainer medicine starts with making it more approachable.