

James L. Holly, M.D.

Alex Tolbert's Reply to Dr. Holly's Response to Top Three Obstacles to Better Primary

Hi Dr. Holly,

Thank you for your email below. I appreciate you taking the time to read my article and to share your thoughts. And congratulations on all of SETMA's wonderful achievements!

You're exactly right that there is a large population of people who would not be able to afford a \$60/month subscription fee for primary care. In fact, I'm often asked what good my ideas are for people who are part of that population.

Currently, [medical prices in the United States are set by CMS](#). CMS sets Medicare prices, and then private carriers base the prices they pay off of those Medicare prices. This is opposite from how the majority of the rest of our economy operates. Usually, our free market sets prices, and the government uses those prices as a baseline when deciding what to pay for goods and services.

Letting the free market set prices, and then the government follow, historically has resulted in a much better allocation of resources. Right now, we have too few primary care doctors and too little spent on staying healthy and chronic care management. The proliferation of subscription-based primary care business models would give the government (CMS) a clear price signal for what the right subscription price is for primary care. Then, instead of fee for service for primary care, Medicaid programs could eventually promote paying the subscription fee on behalf of Medicaid patients who can't afford it themselves. As you mention below, this type of funding and unlimited access for primary care results in better outcomes, which is what we all want.

Thanks, and again I appreciate you taking the time to share your thoughts.

Alex