

## **James L. Holly, M.D.**

### **The Flaw in Subscription Healthcare**

**By James L. Holly, MD**

**Your Life Your Health**

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There is a movement afoot today, where healthcare providers are asking patients to pay them directly. The payment is a monthly fee which “buys” the patient direct access to the provider but all other services are paid by insurance. There are different versions of this movement. One is called “concierge medicine” and usually costs the patient several thousand dollars a year. A new version is “subscription medicine” where the patient pays the provider \$60-100 dollars a month. This column has dealt with this subject before. The current column was motivated by an article published a week ago.

The fundamental flaw to “subscription healthcare” (Alex Tolbert, “Top Three Obstacles to Better Primary Care”, *Medical Home News* July 2013) is that many of SETMA’s patients cannot afford a \$5 co-pay. How would they then afford a monthly payment of \$60 or more? Ten years ago, SETMA went to our major HMO relationship and asked them to reduce the co-pay for primary care visits to zero. Our analysis of outcome measures by payer class showed that our Medicare Advantage patients, who have no co-pay to see primary care providers, have better outcomes than fee-for-service Medicare beneficiaries, who have to pay 20% of the Medicare-allowed charges. By implication, we think, this disparity has to do with a financial barrier to care.

The proposal by Mr. Tolbert will work with patients who can afford to pay a “special fee,” but will not with our patients who cannot. We believe that capitation – a per-member-per-month payment to the provider by Medicare -- will answer the problems of escalation of healthcare costs and that an additional payment for measurable quality outcomes will allow providers to be rewarded for their efforts at transformation of healthcare.

From a public policy view, SETMA believes that healthcare should be a human right (Dr. Don Berwick). This is another way of expressing Senator Hubert Humphrey’s 1977 “Moral Test of Government” which stated, “The moral test of government is how it treats those who are in the dawn of life, children; those who are in the twilight of life, the aged; and those in the shadows of life, the sick, the needy and the handicapped.”

Mr. Tolbert makes the same mistake that others have made in assuming that a personal, financial relationship between a healthcare provider and a patient creates a patient-centric dynamic of

care. It doesn't. What happens to the patient/provider relationship if the patient is unable to pay the monthly or annual fee? A Medical Home works to transform a practice to benefit all patients. Concierge medicine artificially limits the size of a practice to give better care, but only to a few patients. A Medical Home attempts to increase access for all patients, while concierge medicine significantly decreases or eliminates access to care for the majority. A Medical Home attempts to make care more sustainable by decreasing the cost. Subscription medicine adds to the cost of care by the subscription fees are paid in addition to insurance which is not eliminated. There is no structural basis for a patient to be dismissed from a Medical Home, but if a patient can't pay their subscription fee, they apparently will be dismissed from the concierge practice.

The greatest fraud of concierge medicine is the pretense of being patient-centric. This model of care is patient-centric only for "clients" left after the practice imposes a tax on being a part of the concierge practice and after abandoning patients unable or unwilling to pay the tax, many of whom they have cared for for years. NCQA, AAAHC, URAC and the Joint Commission should not allow concierge practices to apply for PCMH recognition or certification. If these organizations allow concierge practices to receive their approval, they will have abandoned any moral imperative they have as accrediting bodies. There is nothing in the mission of medical home, in the Triple Aim, or in ACOs which allows for the exclusion of people who cannot afford a financial premium upon their care, or for the exclusion of those who have complex, chronic health conditions.

The plaque arrived on April 23, 2013 and read: *Texas Physician Practice Award presented to Southeast Texas Medical Associates, LLP for Providing Exceptional Preventive Health Care Services using Health Information Technology.* Awarded by The Texas Physician Practice Quality Improvement Award Committee, the committee is made up of the TMF Health Quality Institute (Texas' CMS Quality Improvement Organization), the Texas Medical Association, and the Texas Osteopathic Medical Association. The Committee commented further, "Congratulations on this significant accomplishment, which illustrates your commitment to delivering quality care to all patients. Your award demonstrates that SETMA has an exceptional team." "Quality care to all patients" is one of the major goals of healthcare reform and one of the foundational principles of the medical home.

Payment models need to be changed. Primary care providers must be paid for the unique services they perform. However, creating a direct, financial relationship between provider and patient, dependent upon the patient's ability to pay an additional fee, is not the solution to primary care providers being underpaid or to patients having access to the care they need.

### **A Response to the Above Critique**

May 12, 2012, this author spoke to the Premier Healthcare Training Institute produced by YAI, which "comprises seven renowned, not-for-profit, independent health and human services agencies, which serve people of all ages with developmental, learning and physical disabilities or delays, with a reach that extends throughout the greater New York metropolitan area, New Jersey, Puerto Rico and the US Virgin Islands, as well as to countries through the world. The

YAI Network's 5600 staff members serve more than 20,000 individuals, including a rapidly increasing elderly population, in more than 450 award-winning community-based programs."

The following note is from the Chief of Mental Health Services, Center for Specialty Therapy YAI/National Institute for People with Disabilities Network and is responding to the idea of "subscription medicine" and to SETMA's contribution to the work of YAI:

"Bravo again on sharing your cogent and clear views with our healthcare community. I thought it was dead on and I am adding it to a growing body of your work that is shared with our staff with the purpose of shaping our mental healthcare department. Your work helps guide and steady my thinking during these times of „healthcare Reform“. Your work helps reframe that view to „healthcare perform“. Much easier to stay focused and not sit docile while policy is sorted out.

"I wanted to use this opportunity to once again thank you for your presentation in New York City at the YAI Network's Developmental Disabilities conference. It continues to have systemic impact.

"We work really hard to provide the kind of healthcare we think is important for patients with complex needs. It feels like we are spending more and more time on finance than on issues of healthcare, but your clear practices, your measures of change, and how that is used to drive the ambitions of health care, health change, health self control.... are so helpful in regaining focus and mission.

"My department is currently working on template development for mental health in NextGen which the clinic recently started using. We provide cognitive, developmental and psychosocial evaluations and have recently been refining our abilities to provide useful pragmatic autism and neuropsych assessments. We are also refining our Health Psychology and Family Therapy services. Again we are using your work to help guide our development of communication systems that facilitates clinician adherence to sound practice while developing clearer measurement, and using that measurement to motivate staff to provide better care.

"So that's my update and opportunity to again thank you for your continued contributions to our field / world. Best Richard Cohen, Ph.D." (Shared with Permission)

### **This is an important discussion**

The complete discussion about this issue can be found at [www.jameslhollymd.com](http://www.jameslhollymd.com) under "Letters," it includes the full, original article by Dr. Tolbert, my original critique, multiple responses to my critique, Dr. Tolbert's colleague response to my critique and my final evaluation of his ideas are posted there. This is an important discussion.

That importance was made real to me this morning when I read a response from a colleague. He said, "Very nice article Dr. Holly. Growing up poor in the \_\_\_\_\_ where „free market“ dictates the level of healthcare an individual gets, I saw two of my younger brothers and my sister die of

very simple childhood illnesses. I realized that the little money I spend for a dinner out with my family today could likely have saved their lives at that time. Healthcare is not just economics, it is ethics as well.”

This story reinvigorates SETMA’s commitment to the profession and calling of medicine. It reinforces our commitment to oppose those who would turn medicine into a piggy bank to support extravagant life styles and personal fortune at the expense of the people they pretend to serve.