

Dr Moore and Associates

Moving to a Hybrid Model

Direct Pay (except for Medicare and Medicaid)

Primary care doctors are among the lowest paid in the healthcare industry, and over the years have experienced cuts to our bottom line, as insurers try to cap physician fees in order to control health care costs. When the Affordable Care Act (ACA), also known as Obamacare, went into full effect in 2014, insurance premiums skyrocketed, and paperwork required doubled which is costing private practices more time, money and manpower. In addition to being worn out from wrestling to get insurance reimbursements, as a primary- care doctor, I have always complained about having to see too many patients a day in order to cover my overhead because my reimbursements are based on these encounters.

Realizing that these changes were imminent, and to avoid this expensive and bloated bureaucracy that drives financial reimbursements, we made the decision in August 2012 to move to a single payer system effective January 1, 2013. We stopped accepting all commercial insurances and started accepting only Medicare and Medicaid Insurances (Single Payer). We also adopted a hybrid practice model that many now refer to as a form of “direct pay”. Using this model, we developed and implemented 2 payment plans for our non-Medicare and Medicaid patients who wanted to continue with the practice.

PLAN#1	PLAN #2
<p>One (1) Annual Comprehensive Health Maintenance Visit Three (3) Detailed Health Maintenance Visits One (1) Urgent Care Visit (Plan covers 5 Visits within a 12 month period)</p>	<p>One (1) Annual Comprehensive Health Maintenance Visit Three (3) Detailed Health Maintenance Visits Eight (8) Expanded Visits One (1) Urgent Care Visit (Plan covers 13 Visits within a 12 month period)</p>
<p>Savings Calculated savings of \$250 compared to equal services outside of membership plan.</p>	<p>Savings Calculated savings of \$500 compared to equal services outside of membership plan.</p>
<p>Terms of Payment Initial payment 5 monthly payments. Price does not include the cost of diagnostic tests.</p>	<p>Terms of Payment Initial payment and 5 monthly payments. Price does not include the cost of diagnostic tests.</p>

We devised a blueprint for executing our new business model:

- ❖ Cap the number of patients seen weekly at 75.
- ❖ The Physician works 32.5 hours per week sees approximately 1.5 patients per hour.
- ❖ Give adequate time and attention to each patient (minimum 30 minutes) which allows for counseling and education on living a better life, changing behaviors and getting patients to adopt more healthy lifestyles. The table below shows the new face-to- face interaction time with each patient (Medicare, Medicaid & Self Pay Patients):

OFFICE VISIT	TIME	Teleweb Consultation	
Detailed Visit	30 Minutes	Up to 15 Minutes	
Expanded Visit	20 Minutes	Up to 30 Minutes	
Focused Visit	15 Minutes	Up to 60 Minutes	
Brief Visit/Administrative Services		HOUSE CALL	
Initial Detailed Visit <i>(Includes: Venipuncture, Stool Guaiac, Finger stick (CS), Pulse oximetry)</i>	60 Minutes	Initial House call Visit	60 Minutes
Initial Expanded <i>(Physical Examination Only)</i>	45 Minutes	Established House call	30 Minutes
Comprehensive <i>(Includes: Venipuncture, Stool Guaiac, Finger stick (CS), Pulse oximetry)</i>	60 Minutes		
Annual Physical Exam <i>(Includes: Venipuncture, Stool Guaiac, Finger stick (CS), Pulse oximetry)</i>	60 Minutes	PROCEDURES	
Comprehensive Annual Physical <i>(Includes: Venipuncture, Stool Guaiac, Finger stick (CS), Pulse oximetry)</i>	60 Minutes	EKG not included in initial visits	
		Spirometry	
		Post Bronchodilator Spirometry	
		Arterial Puncture	
		Venipuncture	
		Physician Applied Venipuncture	
		Stool Guaiac	
		Finger stick (CS)	
		Urine analysis	
		Strep Test	
		PPD	
		Administrative Service	

❖ Identified new billable opportunities which improved on the levels of visit provided under the new model:

Old Model - Billable Treatment Opportunities Commercial Insurance, Medicare, Medicaid & Medicaid			New Model – Billable Treatment Opportunities Medicare, Medicaid & Self Pay Patients		
	CPT	Medicare Fee Allowance		CPT	Medicare Fee Allowance
Detail visit	99214	124.56	Detail visit	99214	124.56
EKG	93000	20.27	Weight Counseling	G0447	28.67
Spirometry	94010	43.48	Smoking Cessation	99407	31.45
Hospital Visits					
House call Visits			Initial Annual Wellness	G0438	187.23
			Subsequent Annual Wellness	G0439	126.55
			Welcome to MCR Exam	G0402	155.08
			Alcohol Screening	G0442	21.35
			Cardio Vascular Screen	G0446	29.7
			Annual Depression Screen	G0444	20.86
			Hospital Visits		
			House Call Visits		

The practice saw a 75% decrease in patient count in the first year. Since we were seeing fewer patients we had the opportunity to lease the unused office space to another physician thus covering a part of the monthly overhead and also maintaining our current staff to provide coverage for this Physician.

The practice is now two years into this new model and as a physician I can now spend more time on each patient visit, focusing entirely on caring for my patient's needs, offer more same-day appointments, and get to know my patients very well. I no longer feel a need to run from room to room, seeing patients on a tight schedule, just to maintain a stable revenues structure for the practice. I now see only 75 patients per week and the practice is projected to make a profit in 2015.

House Call Services

Dr Moore and Associates House Call Services provides comprehensive, personalized, compassionate and skilled primary health care services to elders in the comfort of their homes. Our In-home medical care allows for proactive management of chronic health conditions that would otherwise result in costly emergency care and hospital admissions. Our main goal is to monitor patients at home and identify illness before it becomes acute or require a visit to the emergency room.

Concierge Plan

Effective March 1, 2016, the practice implemented its concierge plan. We have established two payment options for this plan. Patients can either pay the total amount upfront or make 10 monthly payments. Patients will receive a discount in the first year. Teleweb* consultation and direct access to the doctor via his private mobile is included at no charge for all patients enrolled in the concierge plan.

*Teleweb – This service is not covered by Medicare. The encounter involves the use of telephone, video and other media to deliver care to our patients.

Summary

We will continue to accept assignment for our Medicare patients. The patient will still be responsible for the amounts not covered by their insurance (deductibles and coinsurance). Medicare reimburses 80% of our physician's professional fee, once the annual deductible is met. Many supplemental insurance plans pay the remaining 20% of the physician's fee, and some plans cover the patient's annual deductible.

Summary of Changes

August 2012	Made decision to discontinue contracts with commercial insurance companies
September 2012	Developed payment plans for the new practice model.
September 2012	Provided 3 month notice to Commercial Insurance companies to leave the network effective January 1 2013.
September 2012	Sent letters to patients informing them of the decision to stop accepting commercial insurances effective January 1 2013.
December 2012	Revised Office schedule and Visit Times
August -December 2012	Identified new billable treating opportunities and incentives. (Welcome to Medicare, Annual wellness Visits etc.)
January 2013	Implemented new Practice Model
April 2013	Leased underused space in the office to another physician
2011 - 2014	Participated in CMS Incentive Programs
January 2015	Introduced the newly payable chronic care management (CCM) service to all Medicare Patients.
March 2016	Implemented concierge plan. To date we have received a 80% commitment from the targeted patient.

IMPORTANT NOTE FROM THE OFFICE OF INSPECTOR GENERAL: Medicare participating physicians may not bill Medicare patients extra for services that are already covered by Medicare. Doing so is a violation of a physician's assignment agreement and can lead to penalties.

WITH REGARD TO BOUTIQUE OR CONCIERGE PRACTICES:

If you are a participating or non-participating physician, you may not ask Medicare patients to pay a second time for services for which Medicare has already paid. It is legal to charge patients for services that are not covered by Medicare. However, charging an “access fee” or “administrative fee” that simply allows them to obtain Medicare-covered services from your practice constitutes double billing. Excluded providers may not receive Medicare payment either as participating or non-participating providers.

Updated 5/17/16