IN DEPTH

Operations

Cover Story

The Quest for Independence
Stake your claim to medical practice freedom

by JEFFREY BENDIX, MA Senior Editor

The fight against the pressures facing independent primary care practices can take many forms. For some, it has meant joining forces with other practices to attain the benefits that come with size without sacrificing their day-to-day autonomy. Others are taking a different route—minimizing the bureaucratic obstacles to practicing medicine by adopting direct pay practice models.

INDEPENDENCE THROUGH DIRECT PAY

The lure of a direct pay model became apparent to Brian Forrest, MD, after working as an employed physician with two large integrated systems in his native North Carolina.

“As an employee I had absolutely no control of my own schedule. They just wanted to run as many people through there as they could,” he says. “It was all based on how many people you could roll through the door and how good a coder you were.”

He recalls the aftermath of one day where he saw 63 patients. “I couldn’t sleep that night, wondering ‘what did I forget? How many tests did I miss, how many prescriptions didn’t I give?’

Forrest’s solution was to found Access Healthcare, which he describes as ‘a direct primary care micro practice model,’ in Apex, North Carolina. Apex accepts no third-party reimbursements, either public or commercial. Instead, patients pay a monthly membership fee ranging from $45 to $85, plus a $20 “scheduling charge” to cover the variable overhead of the visit, primarily lab work.

“The different fees are designed to cover additional services, Forrest explains. While the overwhelming majority of patients opt for the basic $45 monthly charge, for an additional $20 per month Access will provide a patient with up to four generic prescription medications. ‘If the patient can pay just one monthly fee and not have to bother with going to the pharmacy to get their prescription filled, it’s something they really like’, he says.

Other services beyond the basic level Access can provide include monthly massages and visits from a dietician, who will go grocery shopping with the patient and teach him or her how to read nutrition labels.

“These are all services people told us they needed over the years,” Forrest says. “Imagine for $20 a month having someone come to your house 12 times a year and be willing to shop with you or review food diaries. We’ve had three patients in the last year who’ve lost over 100 pounds doing this.”

Forrest estimates Access’s net profit per patient is two to three times that of the typical fee-for-service primary care practice, despite charging patients about 80% less than the typical practice. ‘He’s able to accomplish that by keeping overhead low. The practice has three providers including Forrest, and two staff members who function as medical assistants, receptionists, and referral coordinators. (Forrest calls them “the ultimate cross-trained patient care coordinators.”)

“They are able to handle all that since we don’t file insurance there’s no reasons for billing and codes, and all that bureaucracy goes out the window,” he explains. “It’s a complete contrast to the idea of traditional insurance, where three-fourths of your job is making sure you get paid for the visit.”

Forrester says he schedules one patient per hour, even though most visits take less time than that, so as to create availability for walk-ins. During a typical eight-hour day he will see between 12 and 15 patients.

Access also looks to technology—specifically, its electronic health record system—to help improve efficiency and keep costs down. “Without having to worry about meaningful use and Medicare quality initiatives, Forrest says, providers can focus on using the system for charting.

“We use an EHR that’s really intuitive and that allows me to get all my notes done in about 30 seconds per patient and in a much more complete way than when I was writing them down or dictating them,” he says. “Now when a patient walks out our door their note’s completely done.”

The system’s e-prescribing feature is also a significant improvement over writing out prescriptions manually, he says, particularly when refilling multiple medications for a patient. Instead of having to write the patient’s name and medica-