More Neurologists Transition to Concierge-Type Practices — What They’re Doing to Make It Work

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ith declining reimbursement and increasing pressure to see more patients in less time, who hasn’t considered, even for a fleeting second, seeking a different way to practice? Concierge medicine, as well as direct care (or direct pay) models, were, until recently, primary care trends in which a patient typically paid an annual fee for a physician’s availability or remunerated the doctor directly for services. But a growing number of neurologists, hoping for relief from the frenetic pace and onerous regulations imposed on practice — which have resulted in burnout — have put their own spin on these practice models.

Some combine traditional fee-for-service with concierge care, while others charge flat and sliding scale fees. Though their practice models vary, the neurologists who shared their experiences with Neurology Today said they have been quite pleased with the results.

Roy C. Katzin, MD, president of South Florida Neurology Associates, who has practiced general neurology for the past 30 years, expanded his practice to include concierge services two years ago after observing an increasing number of internists — 40 to 50 in his Palm Beach County community — adopt the trend successfully. Although his neurology group provides traditional fee-for-service neurologic care, all five (soon to be seven) of its neurologists devote a small portion of their time to concierge care.

“We can provide telephone or HIPAA-compliant telemedicine care even when they go out of state,” Dr. Katzin said.

The concierge model, also referred to as retainer, boutique, personalized, or VIP medicine, makes sense for these patients, he said, because many have chronic neurologic conditions and the neurologists in his group serve as their primary providers.

**THE CONCIERGE SERVICE MODEL**

In Dr. Katzin’s practice, full-time residents sign an agreement and pay a $1,500 fee, renewable annually; seasonal residents pay $1,000, and insurers are billed for traditional office visits and procedures similar to their fee-for-service practice. Concierge patients are offered additional amenities, such as preventive care and coordination of care with other health care providers. Patients are seen within 24 hours, often on the same day they call, and receive extra time (or as much time as we can provide telephone or HIPAA-compliant telemedicine care even when they go out of state,” Dr. Katzin said.

ARTICLE IN BRIEF

Neurologists are exploring concierge medicine and direct care systems in which patients pay their physicians an annual fee or directly for individual services. Here, several neurologists discuss the logistics and benefits of these practice models.

**DR. DARYL STORY** shares space in his office with another neurologist who is also providing direct pay services. Forgiving insurance means they don’t require administrative staff, and their overhead is each $1,200 a month. They split the rent for office space and pay a modest utility bill.

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they need) during specially designated appointment slots that are set aside on a daily basis to accommodate requests.

Patients are also given the neurologists’ private cell phone numbers through Google Voice, which allows the doctors to create a unique telephone number that will ring on designated private phones.

“We never expected our concierge service to replace our traditional practice model, and I don’t believe it ever will,” Dr. Katzin said. “The VIP service still comprises a small percentage of South Florida Neurology Associates patient population, but the feedback has been uniformly positive.”

He noted that some of his patients have concierge primary care doctors as well, and others have contracted with them through their children, who like knowing there is a neurologist they can call at any time to discuss their parent’s care.

A DIRECT PAY MODEL

Daryl Story, MD, has worked in a traditional neurology practice in Norwalk, CT, for the past 12 and a half years, and, like many neurologists, he has grown disillusioned with the way medicine is practiced today. He recently decided, with the blessing of his group, to spend two to three days a month experimenting with a direct-pay model, which operates

“Data entry into the EHR [electronic health record] feels like a waste of time since much of the documentation is done to avoid penalties and meet regulatory requirements,” Dr. Story said, voicing a complaint shared by many physicians today. He prefers interacting directly with his patients. “It’s not just doctors who are unhappy, but patients who don’t participate in Medicare.”

For now, he stays clear of Medicare, since he has received conflicting advice about whether a provider who participates in Medicare in one location may opt out in another. He does not intend to use an annual fee-contracting model since his day job takes up most of his time and he is not able to be available in the expedient manner with which

he opened his direct pay practice in borrowed office space. During the initial start-up phase, he maintained a full caseload with the traditional group practice. As his new practice grew, he gradually reduced his time and his former colleagues transitioned to becoming hospital employees.

Over time, Dr. Ament realized that he was seeing an increasingly complex population of headache patients. “To treat them properly, I felt I needed to explore more issues, develop more relationships with other providers of all types, and assist in coordinating their care directly,” he said.

He has been working full-time at the Ament Headache Center since July 2014. The majority of patients are seen for head-ache, and he does not participate in insurance plans. “By then, I had broken even in terms of expenses, but breaking even and earning a comparable income to an in-network provider are two different issues,” Dr. Ament admitted. But he described his move as partly strategic and predicted that changes in the insurance and technological landscape would soon create a two-tier system in the United States.

“As deductibles and co-pays continue to rise, many people will recognize that they are paying out-of-pocket for their care more often than not,” he explained. “As they do, they will learn to utilize their resources more wisely and will choose to purchase the care they need.”

Dr. Ament expressed hope that by being a pioneer, he is positioning himself to take advantage of this trend.

Dr. Ament’s fees are transparent; new clients are charged $395 for one and one-and-a-half-hour consultations and $185 to $245 for 30 to 45-minute follow-up visits. “Clients pay in full at the time of service and are provided with a completed form to send to their insurance company for reimbursement,” said Dr. Ament, who does not participate in Medicare.

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His practice also offers several incentive programs, including payment plans, discounts for community volunteerism, a $50 discount for referrals, and an occasional “barter and exchange” program; for example, several pieces of art in his office are from clients. He consulted with both an attorney and a practice management specialist prior to structuring the business and employs an Internet marketing team. He compares his overhead with that of any conventional solo practice because the savings incurred by the absence of insurance billers is offset by the additional administrative costs of running his attention-intensive practice. Dr. Ament emphasized the importance of flexibility for those considering a similar transition. “You make the best business plan that you can, and then when your expectations and reality collide, you adapt and adjust,” he advised.

A SLIDING SCALE AND SET FEES

Another Denver neurologist, Allen C. Bowling, MD, PhD, who specializes in multiple sclerosis (MS), has worked in a direct care practice for eight years. (He last chronicled his experience in Neurology Today in 2008. Read the article here: http://bit.ly/chronicare-NT.) Neurology Today caught up with him seven years later to see how his practice has evolved and if the model was still working. Dr. Bowling has a set fee per visit, which he describes as quite modest, and also sees some patients for free or on a sliding scale.

Due to the simplicity of his practice structure, which operates without a billing department, the overhead is very low. “Once you eliminate the need to bill insurance companies, the whole structure of the medical practice becomes ridiculously simple,” he said.

“Over the past 20 years, I have worked to develop a new paradigm of MS care that is aimed at optimizing health through the evidence-based integration of conventional medicine with lifestyle and unconventional medicine,” he said. “This approach requires a fund of knowledge and a clinician mindset that most neurologists do not have, yet many people with MS want.” As a result, when he provides this service in a free market setting, some people with MS are willing to pay extra because it is difficult or impossible to find elsewhere, he said. Because some facility fees in his area are in fact greater than Dr. Bowling’s fees and are not covered by some insurers, it can be less expensive for patients to see him out-of-network that it is for them to see certain in-network providers.

Dr. Bowling said that changing to this model was the best decision he has made in his career. “The past eight years have been extremely rewarding, I am able to provide a unique and valuable medical service and get adequately reimbursed,” he said. “I feel just the opposite of burnout.” •

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- “Pros and Cons of Concierge Medicine,” The Wall Street Journal