

Concierge Medicine: Should Financial Considerations Prevail Over Ethical And Moral Concerns?

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ABSTRACT

Many primary care physicians are now considering changing their practices to the new concierge medical practice. Also known as boutique medicine, retainer or "highly attentive" medicine. This new style practice offers access to a physician who has now limited the size of his practice in exchange for an annual fee. These practices are nearly all primary care, and usually vary in size from 600 patients to 300 or less and carry a typical fee of \$1,500.00 a year. Although a recent phenomenon, boutique medicine remains a small niche. But the number of practices continues to grow. Particularly on the East and West coasts where there are more wealthier people, who expect more from their health care providers. Benefits of this new practice include same-day or next-day appointments not under time constraints, house calls, 24 hour a day access by cell phone, annual wellness evaluations and highly appointed offices. One of the major criticisms of concierge medicine involves those who do not participate in such a program. The practices also displace patients to other medical providers. And as such, create problems of excessive demand on the existing physicians who do not participate. Generally speaking, the patients who elect to participate in concierge practices are healthier and require less intensive care than those cared for in other settings. All this without consideration of the approximately 45 million Americans who live without health care insurance, which only serves to compound the existing problems. There "VIP" medical services with their superior amenities and convenience can be purchased by those with sufficient wealth. However, the question should not turn on the quality of health care which depends on the amount of money an individual can spend on it. Many would regard good health as a right rather than a privilege. The final ethical question is to consider the thought that an individual might experience more or less morbidity or mortality based on how much money they could devote to medical care. Health care should not be discretionary, as everyone should be entitled to the quality without regard to financial status.

Keywords: Concierge medicine, retainer medicine, VIP care, boutique medicine, primary care physician, concierge patient, concierge practice, concierge care, concierge care physician, health care provider, diagnostic services

INTRODUCTION

Concierge Medicine is a recent change in primary care practice which may have a long reaching impact, not only upon those physicians and patients who choose such healthcare, but upon future healthcare delivery in the United States. This paper will examine the benefits of "concierge care" to patients and physicians, as well as issues for each. Also, some of the legal and moral issues of concierge care and its effect upon society will be explored. It is unclear whether this new concept for medical care will be around in 20 years, if it will become the norm, or if because of a legal or moral concern such practice will be impractical.

Concierge is a French word that means a doorkeeper, a custodian, or headporter.¹ The term is most often used in reference to a person working at a hotel who is a resource and advocate for customers. Others refer to this new phenomenon in medicine as “Retainer Medicine” or “VIP Care” or “Boutique Medicine”. Whichever term one chooses, by definition it is clear that the patient is going to get extra or special care.

WHERE IT BEGINS

It is agreed that this new concept of concierge medicine began in the mid-1900s in Seattle, Washington.² This new concept includes improved service for the patients over those services which are generally offered by primary care providers. The improved services may include:

- Nicer and less crowded reception and office areas
- Priority appointments
- Same day or guaranteed next day appointments
- Saturday appointments
- 24 hours a day access by cell phone or home phone
- Access by email or text messages
- House calls
- Scheduling of specialists by the concierge physicians
- Preventive care advice and programs
- Spa-like amenities and décor
- Annual wellness evaluations
- Free check-ups³

Overall, the patient is receiving better access to and attention from the physician. For the extra time and attention given by the physician there is an annual fee which must be paid up front by the patient, usually annually. This fee is not deductible from most insurance plans, so the fee becomes an additional cost to the patient.

The annual cost for “concierge patients is anywhere from a low of \$1,000.00 to a high of \$20,000.00.⁴ The typical yearly patient fee, however, averages \$1,500.00 to \$2,000.00 per year.⁵

Since the mid-1900’s, this new highly attentive medical care has grown substantially. It is now estimated that there are over 300 physicians now practicing “concierge care” in the United States.⁶ The average patient load for each concierge physician is from 50 families to 600 patients, with the usual maximum of 600 patients.⁷ This means that less than 200,000 people have chosen to participate in this new medical care phenomenon. However, the amount of examination, scrutiny, and focus upon this new phenomenon has exceeded the scope of the number of patients and physicians participating in these concierge care plans.

Many primary care physicians have become unhappy with the way their practices have evolved over the past 20 years. Often they will have a patient load of 2,500-3,000 persons.⁸ This number is the result of few residents choosing to become a primary care physician and some physicians choosing to retire rather than put up with the excessive patient load and reduced fees per patient visit.

¹ Webster’s New World College Dictionary (Fourth Edition)

² The Journal of the American Osteopathic Association, “Impact of Concierge Care on Healthcare and Clinical Practice”, Liwz, Haas, Fallon, Metz; Volume 105, No. 11, November 2005.

³ Physician’s News Digest, “Should you consider concierge medicine?”, Vasilios J. Kalogredis, J.D., February 2004.

⁴ Texas Medical Liability Trust, The Reporter “Concierge medicine a new specialty, Diana Leidig, March-April 2005.

⁵ Body 1.com, Health News: Health Feature, “Doctors at Your Service: The Rise of Concierge Care”, Elaine Gottlieb, January 9, 2006.

⁶ Society for Innovative Medical Practice Design, Providence Business News, Natalie Myers, March 4, 2006.

⁷ Journal of the American College of Cardiology, “Concierge Medicine: For Better or For Worse?”, Anthony N. DeMaria, MD, July 5, 2005.

⁸ Body 1.com “Doctors at Your Service: The Rise of Concierge Care”, Elaine Gottlieb, January 9, 2006.

With patient loads of over 2,000, it is understandable that many of these doctor's complain that they are not able to spend enough time with each patient to give the patient the needed time for a thorough evaluation. A physician in Tennessee who has been practicing since 1980 says he has seen his practice change to where he now has 2,000 patients and that his world is entirely different.⁹ Dr. Fred Ralston Jr., explains how his practice has changed.

“There were plenty of primary care physicians, and we had time to see and get good relationships with patients.”¹⁰

Dr. Ralston further explained that the paperwork now required has increased his overhead to 65% of every dollar taken in, as opposed to 40% of every dollar in 1980.¹¹ These changes have made it more difficult for physicians to have enough time for their patients, let alone for their family lives.

Some “concierge care” practices assist patients (with help from the physicians office) in submitting reimbursement forms to healthcare insurance companies. This relieves or reduces the time the physician or the physician's office has to spend on forms for healthcare insurance.

MONEY AND TIME ARE KEY FACTORS

Financially, primary care physicians who convert their practice to “concierge care” consisting of 600 patients are better off then when they had 2,500 patients. If the net reimbursement per patient visit annually is about \$50.00¹² per visit and the average internist makes about \$176,000.00 a year,¹³ compare this with \$1,500.00 per year retainer for the “concierge care” and the annual amount jumps up to \$450,000.00, without deducting for office expenses, for only 300 patients.

In addition to the financial benefits to the physician, there is the smaller patient load requiring less office hours and allowing for more family and personal time for the doctor. The new greater access by patients may mean that physicians are required to take calls or email patients at all times, but overall most physicians feel that the reduced patient load is more manageable.

With fewer forms, more money, more time with patients, and more free time with family or to relax, the primary care physician can now be that comfortable care giver, doing what they imagined they would do when they graduated from Medical School.

Up to 200,000 people have been willing to try “concierge care”. This means that these patients were sold on the benefits as described by their primary care physician when converting to “concierge care”. As described earlier, patients expect to get better access to their physician. They can also use them as an advocate with other specialty physicians. Some concierge care physicians will not only schedule specialty appointments, but accompany patients to these appointments.

Many people feel rushed when getting an annual physical. Also, many patients in large practices, feel (rightfully so) that they get more time with staff (the nurse or physicians aid) in the physician's office than the doctor. Having increased consultation time to explain current health issues and exchange care ideas with a physician is to many patients worth the annual retainer fee.

Concierge care physicians also often offer preventative medicine and weight control/stress management and such other non-typical services. Patients may be able to have discussions about maintenance and preventative programs if not rushed by the other pressures to only spend a few minutes with their physician.

⁹ AARP Bulletin, “Where Have All The Doctors Gone?”, Patricia Barry, Vol. 49 No. 7, September 2008.

¹⁰ Id.

¹¹ Id.

¹² The New York Times “For a Retainer, Lavish Care by ‘Boutique Doctors’”, Abigail Zuger, October 30, 2005.

¹³ Oncology Times, “Concierge Medicine and Other Current Trends in Medicine”, Joseph V. Simone, MD, September 25, 2005.

It is easy to see why patients are drawn to “concierge care”. These patients get more time with their physicians, better surroundings, access to physicians which may reduce emergency room visits, and more opportunities to focus on wellness and preventative care. However, “concierge care” has not evolved without controversy and legal/moral issues for physicians, patients, and society.

The reduced patient load does not come without a cost and future risk to the doctor’s choosing to convert to “concierge care”. Because some patients choose not to opt for “concierge care”, physicians often have to say good bye to longtime patients. Patients or their families often have been involved with their physicians for years or generations. This loss of longtime relationships must have an emotional and psychological effect on physicians who convert to “concierge care”.

The American Medical Association (AMA) has addressed the issue of what is to be done with those patients (sometimes close to 2,000) who do not opt for “concierge care”. AMA has provided guidelines on this issue and other matters for the concierge care physicians.¹⁴ If a patient is unable to find another primary care physician, the current practitioner may be required to keep such patients.

PRACTICE IS CONSIDERED EXPERIMENTAL

“Concierge care” is considered experimental by the AMA because of the limited number of physicians and patients that have chosen to be part of the new way of delivering primary care. Physicians who elect to convert their practice to “concierge care” are banking on this type of practice to continue in the future. What happens if patients decide that the “concierge care” is not worth the annual retainer fee of \$1,500.00? What happens if the concierge care physician has to increase the annual fee or increase the number of patients? What happens if the concierge care physician finds that they don’t have as much anticipated free time or family time because of the demand of concierge care patients? Perhaps 24 hour access, Saturday appointments, scheduling and going with patients to specialty appointments, text messages and email access, cell phone access and home phone calls, expensive reception areas and offices will have the physician back to being overworked and not having the extra time.

The experiment is a risk to “concierge care” physicians as well as to patients. The risk to “concierge care” patients is not only the cost, but likewise the guarantee that this experiment will continue. If a concierge care physician determines that such practice is not viable, the patient is then at risk of being back to the previous primary care practice and perhaps finding another healthcare provider.

What happens to the “concierge care” patient when the services promised are not delivered to that patient’s satisfaction? Whether patients realize it or not, this is an experiment that may not continue and they are at risk as to how this experiment will turn out.

Patients who receive “concierge care” are often required to fill out reimbursement forms to their health care insurer for test and diagnostic services.¹⁵ Although most practices agree to assist patients in filling out such forms, it is the patient that must often submit the forms and wait for reimbursement. This burden is something to which most patients are not accustomed to and may find overwhelming.

The final question for “concierge care” patients is, “What happens if the cost to the patient for the annual retainer fee increases beyond what a patient is willing or able to pay?” There must be a breaking point where patients conclude that this personal attention is not worth the annual retainer fee. Five years from now, will this care cost patients \$3,000.00 a year or \$5,000.00 a year? The unknown financial future of retainer medicine is a concern to patients as well as physicians.

¹⁴ Texas Medical Liability Trust, *supra* at page 2.

¹⁵ Hansen, Bridgett, Ulahos & Rudy LLP, “Concierge Medicine”, Allan D. Jergessen, Esq., September 2002.

LEGAL CONSIDERATIONS

Legal concerns and obstacles have been raised regarding “concierge care”. The predominant legal concern is the possible violation of laws and regulations if the physician seeks reimbursement for services that are covered by Medicare, HMO’s, or private insurance companies.¹⁶ The treating physicians must justify and explain how the services covered by their retainer agreement with their patients are separate from services provided by Medicare and others.¹⁷ This somewhat “grey area” of duplicative services has caused the U.S. Department of Health and Human Services to warn physicians in 2004 that if they charge extra fees for services covered by Medicare, they will be subject to fines or exclusion from the Medicare system.¹⁸ Some private insurance companies have impressed sanctions against physicians who charge additional fees for services covered by managed care contracts.¹⁹

Several states have conducted investigations of concierge practices to determine if there are legal issues or conflicts.²⁰ The state of New Jersey prevents insurers from contracting with physicians who charge extra fees for their services.²¹

Concierge care physicians can avoid such legal or regulatory restrictions by not participating in the Medicare system. In general, if the “concierge care” plan is a pre-paid program for services not usually given, i.e.: specialty visits, wellness plans, free visits, annual physicals, etc, the treating physician can avoid these legal and regulatory restrictions.²² This “grey are” of the practice will surely be the center of legal action and investigation by legislative bodies and insurance providers.

As mentioned previously, the “concierge care” physician must make sure not to abandon the patient when converting to an exclusive concierge practice. Since the number of persons “abandoned” has been so limited thus far, this has not yet been a major legal issue. Future legal questions include: 1) What happens to the patient in a rural area where primary care physicians are few and far between? 2) Is there a legal, if not moral, obligation for all physicians to serve those who cannot afford such care? 3) Will concierge care physicians challenge legislative efforts to limit their practice?

More important than the legal issues are the effects of boutique medical services upon societal norms. It is estimated that there are 37 million people in the United States who do not have medical insurance or have difficulty paying or getting medical insurance.²³ Couple this uncovered population with the decreasing number of medical students who are choosing family practice or primary care as their area of practice (26% in 1997-13% in 2006²⁴), one can easily see how this reduction of patient load to 600 from over 2,000 will impact society. If there are 300 “concierge care” practices in the United States, what has happened to the thousands of people who now need a primary care physician? Doesn’t this new “concierge care” practice overburden the existing primary care practices?

SECOND TIER MEDICAL SERVICE

Some have argued that this type of medical treatment creates a two-tiered system.²⁵ The argument is that those who can afford “concierge care” will, because of their ability to pay, create a high level of care for certain

¹⁶ The Journal of American Osteopathic Association, *supra* page 2.

¹⁷ *Id.*

¹⁸ Christian Science Monitor, “Gold-card Healthcare: Is It Boom or Bare?”, Gregory M. Lamb, May 17, 2004.

¹⁹ “Impact of Concierge Care on Healthcare and Clinical Practice”, *supra* page 1.

²⁰ *Id.*

²¹ *Id.*

²² Brown, McCarroll LLP, “Concierge Care’ An overview of the Legal, Ethical and Social Issues”, David W. Hilgers, May 16, 2006.

²³ American Academy of Orthopedic Surgeons, “Opinions on Ethics and Professionalism”, Document Number 1210, quoting 1996 study- Harvard School of Public Health.

²⁴ “Where Have All the Doctors Gone?” *supra* page 3.

²⁵ “Impact of Concierge Care on Healthcare and Clinical Practice”, *supra* page 1.

patients while leaving those who can't afford to pay to already over crowded systems.²⁶ There may be merit to this argument, especially if the “concierge care” practice expands significantly.

On the other hand, our society has always had a two-tier system. Those in our society who can afford a higher level of health care already get preferred treatment. Whether it is a professional athlete who gets an emergency appointment or a Congressman who gets special treatment or an actor who desires plastic surgery not covered by medical insurance, there is a second tier of healthcare already in existence in our society. Perhaps what “concierge care” is creating is another tier of healthcare whereby middle class patients can receive the type of care all people should have in our society.

CONCLUSION

It is unclear what the future of this particular medical experiment will be. Maybe the experiment will die a natural death because patients will decide that the cost is not worth it or physicians find they are not getting the additional free time they anticipated. Maybe Medicare, federal and state governments, along with insurance providers, will legislate or regulate such practices to the point where these practices are not feasible.

At this point, there appear to be enough benefits to the “concierge care” experiment that it should be permitted to continue. If it is successful, in that it does help patients with preventive care, reduce medical risks, and therefore reduce overall societal costs, perhaps the experiment will be expanded.

It has already been proposed, as a result of “concierge care” practices, that legislation be adopted to limit the number of patients seen by primary care physicians and that there should be an increase in fees to primary care physicians. Everyone wants to have better access to their doctor. Who wants to wait days for an appointment or spend an hour in the waiting room to see a physician or feel rushed? Perhaps concierge medical care will become the standard for primary care services. Thus far, the benefits seem to outweigh the issues and concerns raised about this experiment.

AUTHOR INFORMATION

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²⁶ Seton Hall Legislative Journal, “A Legislative Solution to the Problem of Concierge Care”, Cynthia A. Smith, April 6, 2006.