

# Direct Primary Care

## What It Is, How It's Different, & Who It Works Best For



**Richard R. Samuel, MD, ABFP**

# Introduction

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Greetings from beautiful North Idaho, land of mountains, forests, lakes and of course, my passion, whitewater rivers. My family and I moved here in 1997 to work and play in this beautiful country, and we loved it so much that we decided to put down roots. While not quite considered Idaho natives, we are fast approaching that distinction.

I attended medical school at Oregon Health Sciences University in Portland, Oregon, graduating in 1989. After finishing a three year family practice residency in Modesto, California and passing the Board Certification exam in 1992, we traveled to central Washington where I practiced rural medicine both as a family physician and emergency room doctor. The lure of Idaho whitewater beckoned me to the Gem State, where I discovered a friendly, hard-working, independent, proud and self-sufficient people. I found that most of my patients were not looking for a handout,

and a large number of them were either medically uninsured or underinsured. This sobering fact prompted me to ultimately open a reduced-fee, cash-at-time-of-service practice in 2004, serving over 4,000 patients through 2013. With the passage and implementation of the Affordable Care Act, I decided to begin North Idaho's first direct primary care Practice, bringing over 20 years of broad primary and urgent care experience to a practice model known for its superior level of medical care.

Why this step to direct primary care? Why would a patient and his/her family seek services from such a physician, and what positions this type of practice at the pinnacle of medical care? This report will clearly answer these valid questions, and give you a sense as to whether this type of care is right for you and your family.

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# 1

## What Is Direct Primary Care?

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Direct primary care is a modern version of the old-time patient physician relationship. Specifically, the physician provides the patient with medical care without any insurance or government involvement. The physician sets a fixed fee for medical care and the patient pays this charge directly to the physician. In exchange, the physician provides medical care whenever the need arises, including on the weekends and after hours for urgent matters.

In most direct primary care practices there are no copays or additional charges, and the set fee covers all medical services and procedures provided by the physician, as well as in office supplies and therapies used in the course of that treatment. Care is generally provided at the physician's office, but can include home visits and assisted living/nursing home rounds under special circumstances. The number of patients in direct primary care practices tend to be small, usually limited to between 400 and 600 patients. This smaller number ensures a much more personalized, higher level of professional care.

Direct primary care is growing in popularity! In 2012, an estimated 4,500 doctors across the United States offered various forms of "direct" care services to their patients. That number has increased to more than 5,500 in 2013 and is expected to continue a strong upward trend.

Direct primary care is not insurance. It does not cover any medical services or supplies outside the physician's scope of practice (ie: sub-specialty care, hospitalization services, imaging studies, outside labwork, prescriptions, etc.).

# 2

## How Medicine Has Changed

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Medicine has radically changed over the last 50 years or so, with mixed results. Historically, the family doctor relied more on his or her clinical skills and less on technology to provide medical care. Interpersonal and long term relationships were developed with patients and their families largely because the physician spent adequate time with them, providing care whenever and wherever the need arose. Few medical specialties existed, and the family doctor provided the vast majority of both routine and emergency care. Medical insurance was uncommon, and the family doctor was frequently paid directly by the patient with cash and/or bartered goods.

Beginning in the 1950's, medical practices began to change. Three major factors have been cited as reasons why medicine evolved into the industry we know today.

1. **Technology.** From imaging studies such as MRIs and CT scans, to life-saving therapies such as kidney dialysis and surgeries such as organ transplants, to the vast array of pharmaceuticals, technology extended and increased the quality of life. However, these advances came with a price. Technology drove up the cost of medical care and made that care more impersonal. Hospitals and emergency rooms took on a much more prominent role, because these facilities were where much of the technology was housed.
2. **Medical subspecialization.** Along with technology, physician subspecialization fragmented medical care. Medical knowledge exploded in the second half of the 20th century, making it very difficult for the family doctor to stay current with all the advances in medicine. As a result, subspecialists began to take over much of the patient's care, providing expertise in their area, but often neglecting the patient as a whole. Fees for

medical services dramatically increased with this subspecialized care, and the patient now had multiple doctors who were often unaware of medical problems outside their area of expertise.

3. **Insurance.** Insurance products were increasingly sold to individuals and to employers as a benefit for their employees, and soon insurance policies paid for the majority of medical expenses, which were growing at an alarming rate. As with any business, however, insurance companies were set up to make a profit, and to do this they had to limit benefits, raise premiums to business and individuals and cut pay to physicians, among other strategies. As a consequence, physicians often became more concerned about how to please and cooperate with insurance companies rather than focusing exclusively on the care and welfare of their patients. In order to make a profit in the world of HMOs and PPOs, physicians often had to dramatically see more patients, which cut their face-to-face time during office visits, increased waiting times for an appointment, and tended to make medical offices and staff large (and often impersonal) in order to handle the increased volume. When the government got involved, first with Medicare and Medicaid in the 1960's, and then more recently with the Affordable Care Act of 2010, it only got worse. Layers of bureaucracy increased further, frustrating both physicians and patients.

The direct primary care movement was born in the midst of all these changes. Emerging in the 1990's, it has grown rapidly over the last five to ten years. In the next chapter, we'll explore the differences between the changes that took place and direct primary care.

# 3

## How Direct Primary Care Is Different

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In the previous chapter we looked at changes that have taken place in medical services over recent history. Direct primary care, the "new" emerging system of medical service, can be compared to the "traditional" model largely practiced today in seven major ways:

### The "Traditional" Model

1. **Fragmented care.** Medical care is often delivered exclusively by multiple subspecialists as discussed above. A similar phenomenon, however, occurs in a primary care office as well, where the patient is often seen by a provider who is not the patient's physician. Frequently a mid-level provider such as a physician assistant or nurse practitioner provides fill-in care. This problem of multiple medical professionals is further compounded after hours and on the weekends when yet another provider sees the patient in an urgent care clinic or the emergency room setting.
2. **Impersonal.** Traditional offices tend to be larger, more crowded and often less personal. Larger staff sizes make close professional relationships with patients more difficult.
3. **Production oriented.** Reimbursement to the physician is primarily based on the number of patients seen. Time spent with the provider is therefore often limited, and patients may feel like "just a number."
4. **Third party interference.** Insurance and/or the government often modifies care that is provided by the physician, which frequently is not in the patient's best interest.

5. **Inconvenience.** Crowded office schedules often limit appointment time options, frequently making waits to see the doctor days to weeks away. The doctor's office is typically the only place to see the provider, with after-hours and weekend care delivered at another location, often involving hours in a crowded waiting room to see yet another provider.
6. **Reactionary "sick" care.** Traditional offices are typically so crowded and busy that there is little time for wellness visits and preventative counseling, which has been shown in many studies to decrease illness and extend life.
7. **Hidden charges.** Unlike most businesses, the traditional medical model generally does not publish charges and fees. This is largely due to the third party payer (insurance) system. As a result of this lack of transparency, many patients who pay for treatment out-of-pocket are reluctant to seek medical care.

## The Direct Primary Care Model

1. **Longitudinal care.** Medical care is delivered by one provider in a variety of settings including, but not limited to, the office, home, workplace or assisted-living facility. This care covers evening, nighttime and weekend hours for urgent and emergent matters. If a medical problem is deemed too complex, the direct primary care physician consults and coordinates care with the appropriate subspecialist.
2. **Personal.** Direct primary care practices tend to be quite small, generally limited to between 400 to 600 patients. Staff size is small, and patients are often known on a first name basis.
3. **Patient oriented.** Due to the small size and the direct payment structure of these practices, physicians have plenty of time to spend with each patient. This ultimately saves the patient money by reducing unnecessary medications, subspecialist appointments, ER visits and hospital stays.

4. **Autonomy.** Direct primary care practices provide medical care that is not modified or dictated by insurance companies or government entities. Third party interference is therefore a non-issue.
5. **Convenience.** Medical care is provided at a time and place that is most convenient for the patient. Some care can be delivered by webcam, email or phone, saving the patient even more time and money.
6. **Preventative care.** Direct primary care encourages wellness visits due to the nature of the prepaid membership fee. Patients are more apt to seek preventative care since this fee has already been paid, ultimately decreasing unnecessary illness and other medical problems.
7. **Transparency of price.** Membership fees are clearly posted, and there are no hidden charges. This encourages physician-patient interaction on a more regular basis, saving money and promoting health.

# 4

## Who Direct Primary Care Works Best For

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The modern movement towards direct primary care integrates the advances of medical science over the last 50 plus years with the qualities that made the old-fashioned family doctor so beloved.

In addition to the benefits we detailed in the previous chapter, this hybrid approach is an ideal approach for many different groups of people, including:

1. Patients with lower cost, large deductible insurance policies ( "catastrophic plans"), as these products typically do not pay for outpatient visits.
2. Patients who value wellness and want to stay healthy.
3. Patients with complex medical histories typically requiring frequent medical visits and needing more time with their provider.
4. Patients who want to take charge of their own health care, without government or insurance interference.
5. Patients who make too much income to qualify for Affordable Care Act (ACA) subsidies.
6. Patients who are self-employed, and those who receive no or little insurance from their employer.
7. Patients who are between jobs and have no insurance coverage, or those whose insurance coverage has been cancelled.

Busy working professionals, small business owners and their employees as well as active families find the convenience, affordability and accessibility attractive in their daily routines, and once they discover the benefits of direct primary care, they rarely go back to the "traditional" model.

Bob Dylan penned that "the times they are a' changing", and this is exactly what is happening in medicine. Direct primary care attempts to take the advances of modern medicine and couple it with a "patient centered" approach. No longer is personal, direct care solely for the wealthy, but for a large segment of our society who value the benefits this model can afford.

Patients all across our country are finding that the renewed emphasis on patient-focused, convenient, accessible and affordable medical care IS possible through the direct primary care model, free from government and insurance interference.

Nationwide, the statistics speak for themselves; over 90% of patients that work with a direct primary care physician have continued that care by renewing their membership.

Let us help you discover the benefits of direct primary care. Feel free to contact our office at 208-449-0246 to answer any questions, or, better yet, to set up a free complimentary appointment to get acquainted and together we'll determine if this type of care is right for you and your family.

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