

The insurance market in Pennsylvania has changed and will continue to do so. These changes may encourage families to consider concierge medicine or DPC. One survey shows that over half (51 percent) of workers have a healthcare plan that requires them to pay up to \$1,000 of out-of-pocket costs for healthcare before their insurance covers any of the expenses. Patients also complain about the long waits in physician offices and very short physician consultation during visits. Data show that an average primary care physician in a traditional practice spends 13 to 15 minutes seeing a patient, while a physician in a DPC practice would spend 30 to 60 minutes (Ramsey 2017).

Some studies show that patients appear to like concierge medicine and DPC, as the monthly fee provides basic checkups with same-day or next-day appointments and the right to purchase medications and lab tests at or near wholesale prices. These services come with virtually round-the-clock access to a primary care doctor, which might include using FaceTime while a family is on vacation or a meeting in the office for stitches after a bad fall on a Saturday night. Since DPC practices do not accept insurance, patients owe no copayments or other costs beyond the monthly fee for office visits and primary care.

Yet there are a few problems—for example, up-front, prepaid fees in both models do not qualify as medical expenses that can be reimbursed from a flexible spending account or health savings account. The biggest challenge is that patients must have the financial means to pay the fees. In General Medical Clinic's case, most of the less wealthy patients would not participate. A move to either model requires that the clinic target its affluent patients.

Michael also read that a large company from Philadelphia plans to enter concierge medicine and DPC across the East Coast and announced its intent to enroll up to 800,000 workers in the next few years. It plans to offer very high salaries to attract good primary care practitioners for its expansion. Given General Medical Clinic's current business model, Michael fears that he would be unable to match any lucrative salary offers from this company, and his physicians would leave.

Michael also has ethical concerns about both models. Adopting either model forces patients to find a new physician in a market with primary care shortages. Decreasing a physician's patient panel, as both models do, would also intensify the primary care shortage. In addition, currently, primary care physicians refer many patients to specialists. Reducing the primary care panels would directly reduce the number of referrals to specialists, which might affect the clinic's ability to negotiate better commercial insurance contracts.

General Medical Clinic will hold an executive committee meeting in two days. Michael wants to be able to present both options fairly. He needs to develop an overview and make a recommendation.