

Questions

1. What are the advantages and disadvantages of the General Medical Clinic moving its primary care physicians to concierge or DPC models?
2. How would General Medical Clinic's business model need to change if it moved to either model? Specifically, how would its value, input, processes, and revenues change?
3. Given the direction of healthcare, what would you recommend if you were Michael?

2. The Virulent Virus

Background

A new disease, *aguasangre*, was discovered about ten years ago. It is a nonfatal but annoying infirmity that causes the soles of the feet to sweat profusely and emit a terrible smell. It has an infection cycle of about two years. Once it manifests, it takes approximately three months to reach an epidemic stage and then disappears, only to reemerge a couple of years later. Populations can receive immunizations against the disease, but the vaccines must be redeveloped each time it reemerges from its site of origin. This site varies, although it is often somewhere in the Amazon Basin. Each time the virus mutates, the site of origin changes. If someone finds the new site of origin soon enough, a vaccine can be developed and sold, but once the virus reaches an epidemic stage the value of the vaccine drops precipitously. If the site is found and samples are delivered to the research center in Parana, Argentina, within three months, huge profits could be made.

Situation

An outbreak occurred two and a half months ago. You had information that suggested the origination site was near Iguazu, Brazil. You immediately traveled to Brazil and have been wandering up and down the Paraguay River tributaries for two and a half months. During this dangerous journey, a large spider bit your left hand, and your hand swelled. You also mildly sprained your ankle. At this point, you are low on supplies but determined to persevere.

Amazingly, you finally discover the site and obtain the samples needed to develop the vaccine. You have exactly two weeks to deliver the samples to the research center in Parana. It has been raining off and on for three days. When heavy rains fall in the region, large areas can be flooded for a long time. If you arrive late, the epidemic will have passed and your work will have been in vain. You would like to call in a helicopter to lift you out, but your satellite phone has been damaged and does not work, and there is no other way for