

Cash Care

Dollars revive doctor-patient relationship

BY BARBARA CORREA
Staff Writer

BRENTWOOD — Will Gov. Arnold Schwarzenegger's plan requiring all Californians to have health insurance work?

Will it simplify billing? Will it water down the quality of health care for people already insured?

Many well-heeled Angelenos are responding: Who cares? And some doctors say that within a decade or so, you may not either.

In the city's wealthier enclaves, medical care is moving beyond insurance altogether. Increasingly, doctors are negotiating fees directly with patients, who are eager to cut the red tape with greenbacks.

The practice even has a ritzy moniker: concierge medicine.

But far from being within the exclusive purview of the well-to-do, this increasingly popular approach to medical care — which essentially eliminates the insurance company from the doctor-patient relationship — will one day be the norm for the rich and poor and everyone in between, some doctors say.

"There's no question that in 15 to 20 years, this is how medicine is going to work," said Dr. Albert Fuchs, an internist in Beverly Hills.

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A photograph of a doctor's white lab coat. A stethoscope is draped around the neck. The pocket is filled with several US dollar bills, including a \$100 bill and several \$20 bills. The background is a plain, light-colored wall.

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MODEL: CONCIERGE CARE FUTURE OF MEDICINE?

Supporters say service restores doctor-patient relationship, cuts red tape

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"It will eventually get down to the middle class. Just like ... homeowners' insurance, you don't use that to pay for someone to mow your lawn. That's where the future is — the routine stuff you pay for yourself."

Fuchs opened his family PPO (preferred provider organization) practice in 2000. He converted it to a concierge service 18 months ago, dropping his patient load to less than 400 from 2,000.

He's not alone.

Dr. Raphael Darvish launched Concierge Medicine/LA 18 months ago with this tagline: No insurance. No billing. No payments. No paperwork. No waiting. No hurrying. No headache.

Located in Brentwood, the office is decorated in muted beige tones and Asian artwork, making it feel more like an art gallery than a doctor's office. Examination rooms are named after Southern California's exclusive beach resorts, such as the "Laguna Room" and "Pali-sades Room."

For up to \$2,900 a year, the Brentwood-based office covers primary and preventive medicine, including an annual Presidential Physical modeled on the physical President George W. Bush gets every year. Darvish says most other doctors he knows who have set up concierge-style practices still accept some insurance.

"I went beyond that by just saying, 'I don't care about your insurance,'" said Darvish, a physician who also has an MBA from the Anderson School of Management at the University of California, Los Angeles.

Darvish said half of his patients are in their 70s and 80s, with multiple medical problems and a need for constant access to their doctor. The other half are professionals in their 30s and 40s who are paying for the convenience.

Decade of health

Concierge-style medicine started to take off in the late 1990s, said Dr. Christopher Ewin, president of the Society for Innovative Medical Practice Design, a group that advocates a return to traditional doctor-patient relationships.

Most concierge doctors charge an annual membership fee ranging from about \$1,000 to \$3,000 for primary and preventive medical needs, such as blood tests, pap smears, EKGs and physicals. Most concierge physicians either require or strongly encourage their patients to carry additional insurance for treatment other than primary care.

The society was formed in 2002 and now counts about 160 members, concentrated in Florida and California. Ewin said he estimates there are about 300 to 400 doctors nationwide practicing under the model.

Concierge critics

While the model has taken off in tony communities and some middle-class neighborhoods, it does have its detractors. The main problem, critics say, is it provides great care for small numbers of wealthy patients, leaving the poor to fend for themselves.

"The phenomenon of trying to cater to the high end of the market is not surprising," said Gerald Kominski, associate director of the UCLA Center for Health Policy Research.

"Certainly it reduces a lot of financial risk for providers and allows them to be very selective.

"What's more troubling in the bigger picture is that it does represent further segmentation in the market between the 'haves' and the 'have-nots.' And until we solve the health care problem in the state and in the nation, I'm concerned that those who 'have' will have even more at the expense of the uninsured."

Concierge doctors acknowledge the "you get what you pay for" element of the model. But they argue they are returning medicine to its roots — a personal relationship between doctor and patient — and are confident the model will spread to lower- and middle-income families.

Deborah Bradley, a CBS Television sales executive, stayed with Fuchs when he converted his PPO practice to concierge, largely because she wanted the convenience of having a personal physician.

Even though Bradley has a traditional pediatrician on her insurance plan for her toddler, she often makes use of Fuchs' after-hours availability to ask questions.

"I have his home number, his mobile phone number, and I can text-message him," Bradley said.

"The pediatrician's office will say, 'The doctor is really busy today; if she doesn't get to you,

she will definitely call you tomorrow.' It doesn't feel good."

Bradley also likes the hassle-free billing of concierge service, for which she pays a fixed \$2,400 fee per year.

"How many times have you been told by the doctor's office that you wouldn't be billed, then you end up fighting on the phone over a \$47 bill?"

Darvish, who has the Brentwood practice, said eliminating billing frustrations is a huge attraction for patients and doctors alike.

"When I started this practice, I thought, 'Deductibles and billing as a patient are a complete nightmare, and as a physician it's a nightmare. People understand, 'I swipe my credit card and I get something.' They don't understand 70/30 coverage: (The doctor) gets a check, I pay a part."

Middle class reached

Some doctors already have a number of middle-class patients.

Dr. Thomas LaGrelus, owner of Skypark Preferred Family Care, a concierge medical practice in Torrance, said most of

his 600 patients are middle income.

"They're typical Americans: plumbers, teachers; many are seniors."

About 100 of them are carry-overs from his traditional family practice, which he converted in 2005. They are people on low fixed incomes who could not afford the membership fees, so LaGrelus took them on as "scholarship" patients, something he says is fairly standard for most concierge practices.

"The problem with primary care today is that it is dying," said LaGrelus, who is also an instructor at University of California medical school and is part of a group of doctors from the Los Angeles County Medical Association working on a response to Schwarzenegger's health care proposal.

He said he applauds the governor for getting a conversation started, but there's something for everyone to hate in the gubernatorial proposal. In his case, it's the mandate that everyone has to buy insurance.

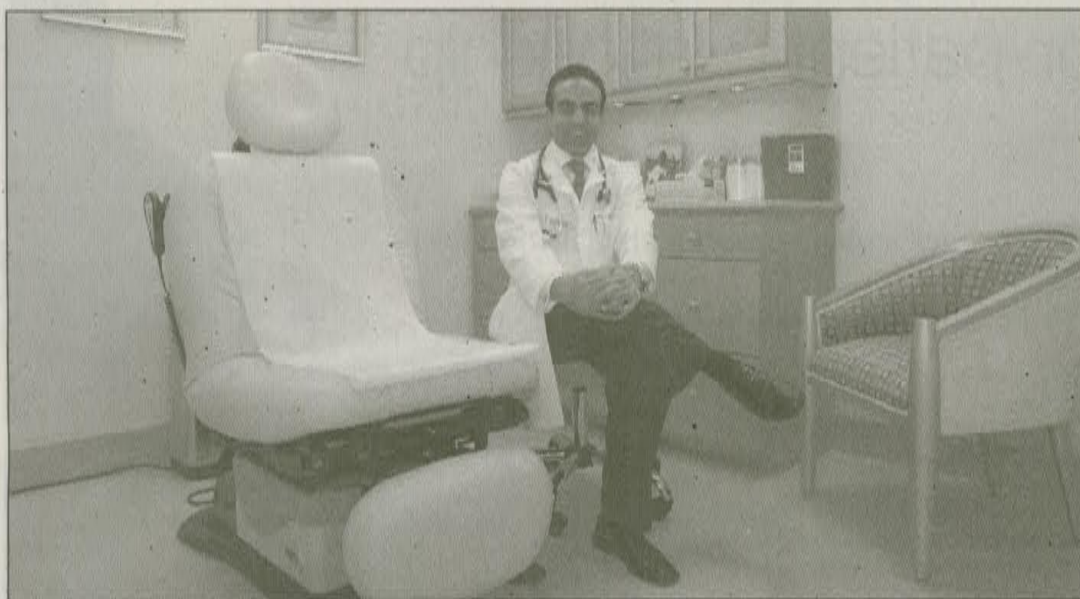
Whether the plan leads to change or not, LaGrelus said concierge medicine will become an affordable model for most Americans.

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Dr. Raphael Darvish, owner of Concierge Medicine/LA, shows off his office and medical exam rooms in Brentwood. Consumers with money are opting for "concierge" doctors who offer primary care and 24/7 access for an annual fee, and who don't deal with insurance.

David Sprague/Staff Photographer

Sample concierge fees, annual rates

- \$900 — Individuals, 18-39
- \$1,800 — Individuals, 40 and over
- \$3,200 — Adult couple
- \$2,000 — Single-parent family: one adult, plus unmarried dependent children under 25
- \$3,600 — Family (two adults, plus unmarried dependent children under age 25)

Source: Skypark Preferred Family Care, Torrance

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