

Personalized Healthcare for a Price

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What's your health worth in dollars and cents? A lot, judging from the rising number of consumers who are opting to pay a membership fee for expanded services provided by concierge medicine practitioners.

Concierge, or boutique, medicine has grown out of the frustration some physicians have felt in their traditional practices. Citing too much paperwork and bureaucracy, and too little time to devote to their patients, an increasing number of healthcare providers have traded 3,000 patients a year for 300.

In turn, consumers are agreeing to pay anywhere from \$800 to \$20,000 a year for more one-on-one time, 24/7 availability, and an expanded suite of perks including personalized care plans, online medical record access, valet parking and escorts, and no-wait office appointments.

"This concept is being driven by physicians," says Allison McCarthy, Senior Consultant, Corporate Health Group, West Dennis, MA.

"And, contrary to media portrayals, it's not just about money. Every physician I've talked with

says a concierge approach gives them the ability to practice medicine as they envisioned in medical school—they can conduct research, provide preventative care, and above all, spend more time with patients."

"In many markets, hospitals are following the lead of the physician community," McCarthy continues. "Hospitals and healthcare systems traditionally have had programs that cater to executives or international professionals. Concierge practices are an extension of what they're already doing."

University of Alabama Tests the Waters

That's the case with a new concierge physician practice being developed by the University of Alabama (UAB) Health System. Birmingham. For more than a decade, UAB has had a concierge floor reserved for patients who want extra services and amenities, and are willing to pay for them. That floor has been well received, so when the lead physician in UAB's primary care network expressed the desire to start a concierge medical practice, the system followed up on the idea.

"People in the community were reading about concierge programs in other markets and asking us about them," says Debbie Hunter-Snow, Director of Marketing Communications. "It seemed that all the forces were lining up at the same time for us to pursue this, so we began to research the model and how it would be perceived in our market."

The UAB team looked at other academic medical centers' programs in Seattle and Miami, studied pricing and benefits, and conducted focus group research to evaluate how Birmingham residents would respond to a concierge practice.

Focus group participants indicated they would welcome such a service, says Hunter-Snow. "Both of the female groups, younger and older, approached the concept very favorably. They felt

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that concierge medical care would offer a needed helping hand in coordinating care, which becomes more complicated as you get older.”

Based on the positive response, the UAB Camellia Medical Group is scheduled to open March 1, 2004 as a concierge practice, marketing primarily to 51 - to 70-year-old females.

The Other Side of the Concierge Coin

The concierge trend has elicited powerful responses on both ends of the spectrum. Opponents of concierge medicine say it perpetuates a kind of healthcare elitism by trying to eliminate the even playing field that they believe healthcare should offer consumers.

In addition, legal and regulatory watchdogs have investigated some practices that they claim violated regulations limiting charges above Medicare-approved fees. Last year, a U.S. senator introduced legislation to prevent physicians from charging a separate fee for Medicare recipients. Other investigations have raised the question of whether certain practices discriminate against patients who are unable to pay

For hospitals interested in rolling out the model, it’s not always an easy decision. “Organizations need to have a lot of internal dialogue,” says McCarthy “They need to ask themselves ‘Is this part of our mission and our values? Can our board stand behind it?’” Still, McCarthy anticipates that concierge medicine is a niche that will continue to grow beyond the East and West coasts—appealing to both the providers and the consumers who’ve begun to ask for it.



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