

Overview of Private Medicine Models

The following clarifies the terminology we use to describe the various types of private medicine practices.

“Private Medicine” is a medical practice model based on the financial relationship the doctor has established with his/her patients in order to provide exceptional personalized care.

Think of private medicine as the umbrella under which fall two types of basic practice models: “Concierge” and “Direct Care” Medicine.

While there can be great variation in how a practice model is designed regarding specific services offered, fees charged, and how care is delivered, such practices often share a focus on providing patients with personalized, preventive and wellness care not usually covered by insurance.

These practices are typically structured in the following ways:

Concierge Model

Concierge Medicine is a model wherein your patients would pay an annual membership fee to your practice in exchange for enhanced, but non-medical services.

Such services may include 24/7 access to you by cell phone, same/next day appointments, extended visits and house calls, and nutrition and fitness coaching, to name a few.

You would likely continue to contract with most insurers, and as in a traditional medical practice, you would still bill the patients’ insurance carriers; patients may pay a co-pay or co-insurance fee for the medical services you provide.

The annual membership fee is likely to range anywhere from \$1,500 or \$1,800, as with the MDVIP franchise model, to \$3,500, and in some cases significantly more. Again, the membership fees would make up for your seeing a much smaller number of patients.

Concierge medicine also may be described as “Retainer”, “Boutique” or “Membership” Medicine.

Direct Care Model

Direct Care Medicine, sometimes referred to as “cash-based” or “direct pay” medicine, differs from the concierge model in that your patients would pay you directly for the medical care you provide them.

You would not contract with insurers (most opt out of Medicare), and this would lower your overhead cost significantly, but your patients could submit on their own any claims to their insurance carrier for reimbursement.

Generally, a direct care fee is more affordable than a concierge retainer fee; for some plans it can be as little as \$50/month. How your patients pay you for the care you provide would normally fall under one of the following structures:

1. Patients pay you an annual or monthly membership fee* to include all (or almost all) primary medical care offered by your practice;
2. Patients pay you for the services you and your staff provide at the time that service is delivered. In this pay-as-you-go version, no membership fee is required; or
3. Patients may have a choice between paying you a membership fee or paying on a cash basis for services you provide – or you offer some combination of the above.

Hybrid Model

The third practice model, best termed a “Hybrid” practice, refers to a blend between a traditional and private medicine model, as follows:

- You are in a traditional group practice and decide to transition your patients to a private medicine model (either Concierge or Direct Care) while the other doctors in your practice continue with the traditional model;
- You offer your patients a choice between paying extra for private medicine (a membership fee) or continuing to see you as they always have, i.e. in the traditional model. Usually a doctor offers such a choice to test the waters or to make a gradual transition to a full private medicine practice.

The commonality in each of these models and across physician specialties is **the ability for a doctor to dramatically reduce the number of patients they are caring for and to improve the quality of patient care.** As a result the focus can be on comprehensive and preventive care, and the reassurance their patients’ healthcare needs are being met, with the physician once again experiencing the joy and satisfaction of practicing medicine.