

Testimony for Public Hearing Pennsylvania Banking and Insurance Committee

SB 926

Direct Primary Care Medical Service Agreement Act

Thank you for the opportunity to submit testimony regarding SB 926 that will define direct primary care more clearly and increase the options for Pennsylvanians when it comes to how they obtain their health care.

My name is Ricky Haug and I have been a family physician in Pennsylvania since 2009. I attended medical school at Temple School of Medicine and then did residency at Thomas Jefferson Hospital in Philadelphia. After residency I began working at a private practice that was owned by a small local hospital, Chester County Hospital. About 2 years ago University of Pennsylvania purchased the entire Chester County Hospital Health System, including our practice. Unfortunately, in my 7 years in the hospital based systems I realized that our current model of primary care is not patient centered. Instead of a value driven system it is a volume driven system. I decided that it was not the right model for me and in October of 2016 I opened a direct primary care office, Core Family Practice in Kennett Square, PA.

Direct Primary Care (DPC) is an innovative, common-sense model that takes the practice of medicine back to its roots. By removing third parties from the doctor/patient relationship, patients will have no co-pays, more relaxed visits, more flexibility, more time with their doctor, and more ways to access their doctor - including texting, video conferencing, email, phone calls, or traditional office visits. These services are paid with a monthly membership just like a gym membership.

Our patients are the core of our practice. The traditional “fee for service”/insurance model of primary care medicine is facing ever changing and expanding constraints. Patients and doctors are frustrated by the increased focus on standard and impersonal data collection, limited face-to-face time with their physician, difficulty setting up same day appointments and poor communication between the patient and the doctor’s office. Generally, when patients are able to get an appointment, they are reminded that only the issue they made an

appointment for can be addressed at the visit; any other complaints will require another appointment, copay and time off work. It is likely that many patients are forced to resort to urgent care centers much more frequently. As many patients and friends tell me, they feel more like a number than a patient when they contact or visit their physician.

The main reason for the above frustrations is our current reimbursement system – the fee for service model. In this model reimbursement comes from the number of appointment visits, procedures, or tests that doctors perform. This unfortunately leads to difficult to manage patient panel sizes (2000-3000 patients) as compared to 600-700 patients in the average DPC practice. These large panel sizes coupled with increasing clerical and administrative requirements results in less time for real patient care.

I started Core Family Practice so no patient will feel like a number. In a DPC practice there is no pressure to see over twenty patients a day. There is no pressure to check off a list of questions that do not improve a patient's long-term health. There is no pressure to bring patients into the office for every ailment. I firmly believe that the way to optimal health involves listening to patient needs, counseling on healthy lifestyles, ordering tests only when appropriate and establishing strong relationships that build a mutual trust. I have found that I was unable to do these things as well as I would have liked in the current fee for service model and am very excited for the opportunities direct primary care provides.

A few of my favorite experiences in my direct primary care office that I would never have had in my fee-for-service university based practice.

1. I spent an hour and a half with a 92-year-old woman and her caregiver after she was discharged from a complicated hospital stay. We made sure all loose ends were tied up and that all new medical plans and follow ups were in place.
2. I am able to go on home visits and provide medical care/anxiety management for a 34-year-old female with severe agoraphobia (home-bound due to anxiety).
3. I am able to go on home visits to an 89-year-old home-bound woman's house and a 92-year-old in an assisted living facility. Twice I have prevented unnecessary hospitalizations due to these visits.

4. I returned to the office at 8:30 one night to stitch up the chin of one of my 7-year-old patients. It was nice to not only provide this service in an environment he was already comfortable with and by a provider he already knew, but also they did not have to wait in an ER and paid me nothing extra for this service. Their family is self-employed with a \$10,000 deductible so we certainly helped them out financially that night.
5. I provided IV antibiotics and IV fluids to an uninsured patient that had a pneumonia. Other than her \$65 monthly membership fee she only paid an additional \$40 for those services and walked out with an antibiotic course. This would have easily cost her over \$1,000 in the emergency room.
6. I have had an 80-year-old woman texting me pictures every day of her diabetic, 82-year-old husband's leg wound after we saw him twice in the office. That way we were able to stay on top of things without them having to make the taxing effort of frequent office visits.
7. A diabetic patient that we save \$175 every 4 months for his labs and saved him over \$3,000 on an ECHO of his heart (he paid \$272 cash). He is a blue-collar worker that missed routine appointments/labs frequently when I was taking care of him in the "old system" due to the cost barrier. We now have his diabetes better controlled than it has ever been.

There are countless other examples and I am thankful that direct primary care has allowed me to restore the doctor/patient relationship to the way I think it should be.

I really appreciate the opportunity to present this written testimony as you consider SB 926. It is exciting that Pennsylvania can become the 24th state to pass legislation defining Direct Primary Care as medical services regulated by our state board of medicine, outside the scope of insurance regulation.