

## COVER STORY

# A personal TOUCH

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**T**he way Bryan Putnal sees it, time is money.

"You know how difficult it can be to see a doctor when you need to? I don't have the time to sit in an office for three hours, so for me personalized care is time well spent," said Putnal, a 53-year-old attorney with the Smith Hulsey & Busey law firm in Jacksonville.

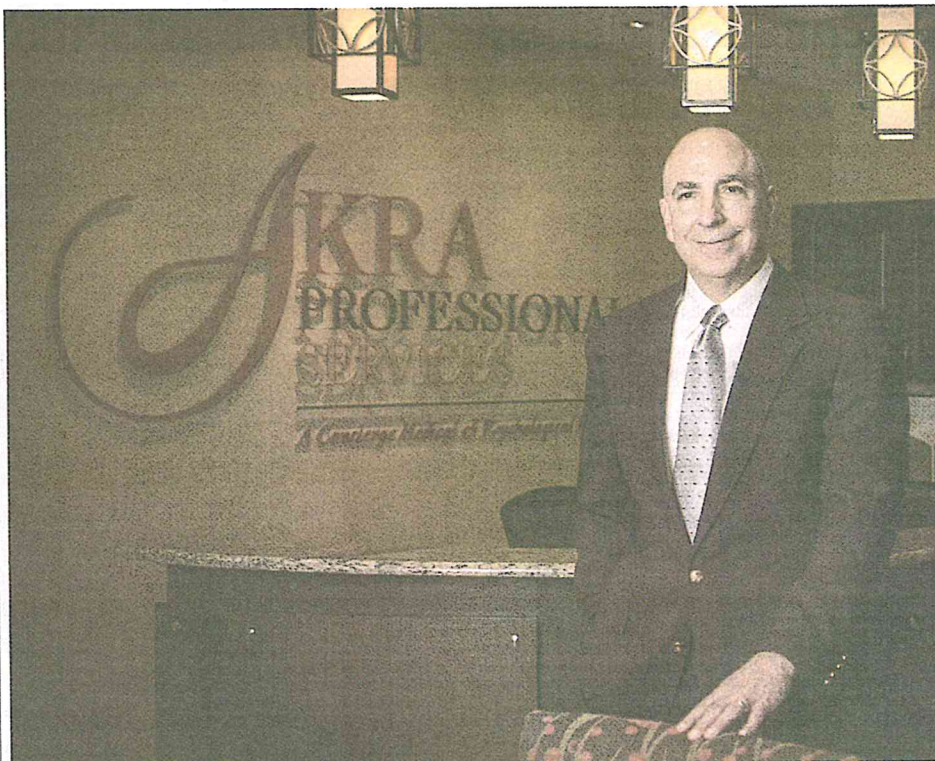
That's how an increasing number of health care providers see it, too.

Dr. Louis Akra, Putnal's primary care doctor, left a group practice affiliated with Baptist Health more than 10 years ago to form his own concierge medical service. "I wanted to do something different, to be more accessible and have a more personalized approach – a real relationship – with my patients," Akra said in a recent interview with the Business Journal.

That access, of course, comes with a price.

Concierge medicine, boutique medicine, personal physician, retainer-based medicine – whatever term you use, the concept is quite simple: For a membership fee, a doctor offers same-day appointments, 24/7 access to his or her cellphone, personal coordination with specialists and the convenience of in-home or office visits if needed.

The annual fees run between \$600 and \$3,000 or more. Most fees average around \$1,800 a year, or \$150 a month. Some doctors, like Akra, accept a range of insurance plans, which are billed separately from the membership fee. Others, often called "direct primary care" or "cash-only medicine" providers, post menu-style prices for services and require out-of-pocket payment upfront, completely circumventing insurance and Medicare, although patients can submit claims to their carriers for possible reimbursement.



Dr. Louis Akra left a group practice to form his own concierge service. The result: Fewer patients who get more personalized attention and less stress.

More and more patients are willing to pay these fees, statistics show. The number of concierge doctors is growing rapidly. According to the Concierge Medicine Research Collective, the number of physicians who offer some form of concierge practice in 2013 was about 5,000 – up from about 4,400 the year before. That incline is even steeper over the past five years. In 2009, for example, it is estimated about 1,000 providers were specializing in concierge medicine. The fig-

ure was in the hundreds several years earlier.

With the implementation of the Affordable Care Act, medical industry experts expect more newly insured patients entering the system will create a doctor shortage and an even more strained traditional health care structure. That means physicians will have even less time than they do now to spend with each patient. Add in changes to the way doctors are reimbursed, and it's not

surprising more doctors are looking for a more profitable alternative.

Concierge medicine inverts the business model by which most doctors operate. With member fees helping to bankroll a doctor's overhead, that doctor can afford to take on fewer patients and give more time to each, as opposed to volume-oriented practices.

While Akra used to see about 30 patients a day, now it's about 10 a day. Akra said he can limit his patient load

## ► COMPARISON

### AVERAGE SALARY

#### GENERAL PRACTITIONER

**\$187,570**

#### CONCIERGE DOC

**\$200,000 to \$300,000**

### PATIENTS PER DAY

#### GENERAL PRACTITIONER



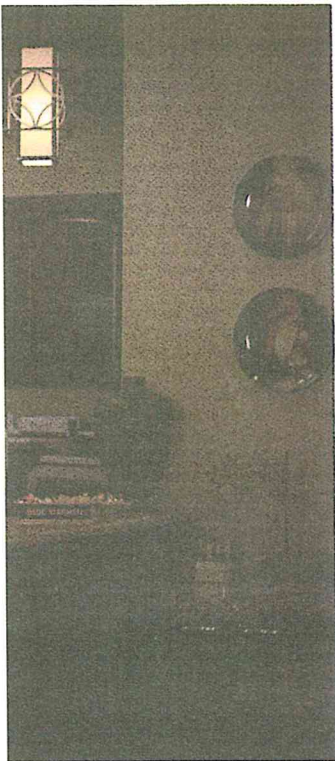
#### CONCIERGE DOC





## COVER STORY

## DOCTORS OFFER NO WAIT FOR A FEE



JAMES CRICHLAW

while Akra brings in the same sort of

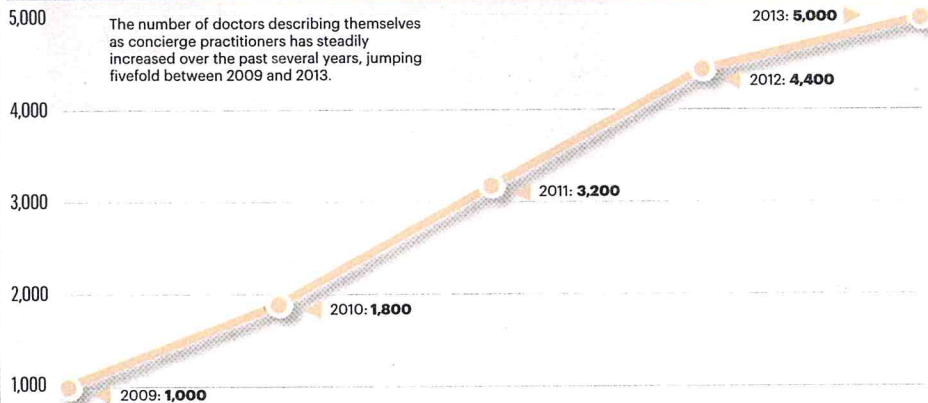
and still make money.

"Plus, I'm more relaxed," said Akra, flashing an easygoing smile.

#### The haves and the have-nots?

Round-the-clock access is one thing – one could find that at the walk-in clinic down the street – but concierge doctors see themselves as a kind of modern version of the village doctor, clutching black leather satchels and making house calls to families they know.

#### ON THE RISE



But the approach has its critics, with some arguing that concierge medicine is elitist and exacerbates the disparities in care between the haves and have-nots.

Brian Klepper, the Atlantic Beach-based CEO of the National Business Coalition on Health, a lobbying group aimed at bringing down the cost of health care, thinks the trend is detrimental to society.

"It's a solution for doctors who want to get out of the system and cater to rich people," said Klepper, the owner of a national primary care clinic company.

But while Akra certainly has his share of higher-income patients, he said he also sees a fair number of middle- to upper-middle-class folks who prioritize the personalization and convenience offered by a concierge doctor.

"It's the 'FastPass' at Disney or the first-class flight – it's the added benefit you get in being able to have instant access to a physician, both in and out of the office," said Akra.

For those willing to pay, there are several kinds of concierge options: a straight concierge practice; a hybrid model whereby a doctor accepts both traditional and concierge patients; and a block-time model where the physician

dedicates a certain portion of the day to concierge patients and the rest to traditional patients. Institutions like Mayo Clinic offer their own version of concierge medicine, and the firm MDVIP, based in Boca Raton, has become one of the largest concierge physician networks in the country by focusing entirely on the service.

Dr. Mobeen Rathore, a doctor in the UF Health system in Jacksonville, doesn't practice personalized medicine but as the president of the Duval County Medical Society, he supports the option.

"It certainly is a burgeoning trend, and I think that some folks don't want to go through the typical process of appointments and visits – there's a need for that and some physicians are meeting that need," Rathore said.

But Klepper argues, "Concierge medicine is a market-based response to the structural flaws of the [traditional] health care system. What we really need is for everyone to have longer office visits, not just the rich."

#### First-class treatment

Walking into Akra's medical office in San Marco is like walking into a living

room – all mahogany furniture, overstuffed sofas, soft lighting and a tray full of snacks. The waiting room doesn't require waiting: Appointments are spaced out precisely so no one patient is ever received with another in the office at the same time. There are fluffy, spa-like robes ready for your arrival and other amenities not typically found in more institutional medical environments.

At the same time, during a visit at Akra's office you can get your blood drawn for lab work as well as other procedures, the results of which are usually returned within hours.

In addition to texting and calling patients regularly, Akra will email over medical records for their review.

Bradley Eye, the office manager at Cenegenics Jacksonville, said that first-class treatment is what keeps its direct-pay specialty office in business.

"If someone needs blood drawn in the parking lot of Starbucks, we'll make that happen – it's whatever you need," said Eye, whose father, Dr. Earl Eye, is one of two physicians in the practice.

Cenegenics Jacksonville, also called

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#### AVERAGE AGE

GENERAL PRACTITIONER

47

CONCIERGE DOC

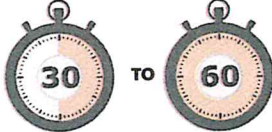
50

#### MINUTES WITH PATIENT

GENERAL PRACTITIONER



CONCIERGE DOC



#### TOTAL PATIENT LOAD

GENERAL PRACTITIONER

1,500 to 2,000

CONCIERGE DOC

300 to 600



CONTINUED FROM PAGE 7

the Center for Healthy Aging, offers personalized care for endocrinology issues such as thyroid conditions and hormonal imbalance. The majority of its 150 clients are over 35 and looking to nip potentially more serious conditions in the bud.

"We can dial the risk factors of diabetes or heart disease down by 95 percent," Eye said.

The practice, part of a national chain, charges between \$300 and \$1,000 a month depending upon the level of service, and does not accept insurance.

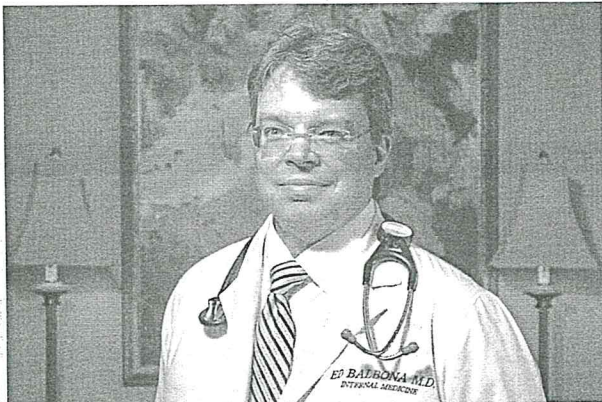
"It's just cost-prohibitive," Eye said. "Our office operates more like a real business, and the business model definitely works."

#### Not just for the rich and famous

Dr. Eduardo Balbona runs a solo practice in Riverside that is a "blended" concierge model. About 90 percent of his clientele make up his traditional practice; the other 10 percent, or about 100 patients, who choose his concierge model help support his standard business.

"Our [doctor's] insurance reimbursements are going down and our expenses are going up," Balbona said. "If I want to stay in practice, I need to supplement."

He doesn't see the boutique side of his business as being elitist.



JAMES CRICHLAW

Dr. Eduardo Balbona merges a traditional practice with a concierge practice, with the fees paid by the latter helping support the former.

"There are some doctors out there who see dozens upon dozens of patients a day – it's like a mill – and no one's saying that's unethical," Balbona said.

Balbona charges patients \$75 a month for the added benefit of concierge care. "These aren't wealthy people being snobs – it's just people saying it's less than my cell bill and I want it," Balbona said.

As former CEO of the Health Planning Council of Northeast Florida, Dawn

Emerick said she can understand the market for concierge medicine, but she is concerned it's creating a barrier to access.

"Some of the services they offer are things not covered by insurance, like weight loss options, and these are services that should be available for everyone," Emerick said.

No matter how you view the issues surrounding retainer-based medicine, it certainly looks like a trend moving per-

sistently upward.

Jeanne Helton, a health care attorney with Smith Hulsey & Busey, said she's seen a number of doctors leave larger practices to go "free agent" with a concierge-type service to avoid the hassles of the changes in the new ACA regulations and compensation formulas. "They figure, 'If I'm going to work harder to make even less, there have got to be better ways to make money,'" Helton said.

Health care trend watchers forecast more doctors offering more boutique services and people willing to pay for those services as the market becomes more crowded and the number of doctors drops over the next few years.

In fact, according to a 2013 survey by the physician staffing firm Merritt Hawkins, nearly 10 percent of physicians nationwide are considering moving to direct-pay or concierge medicine in the next one to three years.

Concierge doctors see themselves as filling a void in the health care system – one that will only increase – and say they are focused on quality over quantity.

"The thing about medicine is when you get to know your patients well, it's like family almost," Balbona said, "and you may be called at some point to help these same people make life and death decisions. That's the kind of care I want to give."

## NORTHEAST FLORIDA'S 2014 ULTIMATE CEO AWARDS

**JACKSONVILLE  
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LAST  
CHANCE  
TO  
NOMINATE

### NOW ACCEPTING NOMINATIONS

Tell us about Northeast Florida's most successful CEOs! The Ultimate CEO Awards honor those who set the standard in our corporate community, including civic leadership and charitable contributions.

THE ULTIMATE CEO:	
• The company can be for profit or nonprofit, but it must have a proven track record with significant operations in Northeast Florida.	• Lives and works in Baker, Clay, Duval, Flagler, Nassau, Putnam or St. Johns counties.
• Owns his or her company or is the company's top executive officer.	• Must have a strong record of innovation and outstanding performance.

Extra consideration will be given to those who have had a significant career accomplishment within the past 12 months.

Their sphere of influence should extend beyond the scope of the nominee's career. A leadership role in the philanthropic, civic or political arenas that has created a lasting impression is preferred.

Nominations will be accepted for CEOs in companies of all sizes:

- Small (\$1 million to \$10 million in revenue)
- Medium (\$11 million to \$50 million)
- Large (\$51 million and up)

Winners will be recognized in the weekly edition of The Business Journal on August 15 and at an awards luncheon on August 14.

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