A Super List of Jersey’s Best TOP DOCTORS

Compiled by Castle Connolly
1,530 PHYSICIANS
Concierge Medicine

More doctors are charging annual fees for personalized care. But does it widen the economic divide between patients?

By Mary Ann McGann
Photos by Avi Steinhardt

Concierge medicine. Retainer practice. Direct primary care. Boutique medicine. VIP care. Call it what you will. Depending on who you talk to, the practice of a doctor entering a contractual arrangement with a patient to provide enhanced care and amenities beyond insurance-reimbursed services in exchange for an annual fee is seen as either elitist health care for the wealthy or a reasonable solution to the growing stress on high-volume medical practices.

This small but steadily growing trend among certain pediatricians, family doctors and other primary care physicians has supporters applauding and detractors shaking their heads in dismay.

Concierge medicine is “a bit of an unfortunate term because it really suggests that it’s luxury medicine for rich people,” says Tom Blue, executive director of the American Academy of Private Physicians, a national association of concierge doctors. “The average concierge fee nationwide runs around $135 a month, so you’ve hardly got to be a billionaire to take advantage of a service that costs less than most cable TV packages.”

Under this particular medical model, a patient pays an average of $1,500 to $1,800 a year to a primary care physician with a concierge practice. (The AAPP says the annual retainer, or membership fee can range from $500 to $40,000 or higher, depending on the doctor.) The concierge doctor, in many cases, caps the number of patients at 500 or fewer, down from the 2,500 patients he or she previously may have managed. In return for the fee, the concierge

Primary care physician Arthur Childs treats Lenny Catanoso of Cape May Court House, one of Childs’ patients who pays an annual fee to get more personalized care.
patient receives perks such as same or next-day appointments, little to no office wait, longer consultations, increased attention to wellness and preventative care, and the doctor's personal cell phone number.

"People tend to think of concierge medicine in terms of the access that it provides to the practice and to their doctor. And certainly that's a nice attribute," Blue says. "But, unless a patient just places a giant premium on his or her time and convenience, most people should be looking at this retainee fee as very much an investment that should have a return on the other end of it. Certainly part of the return could be measured in the form of time saved. But a good part of the return should be measured in terms of simply more good years of life."

Concierge patients are usually required to retain their health insurance and, like traditional practices, most concierge doctors will bill the insurance company for the usual tests and procedures not included in the membership fee. About 20 percent of concierge practitioners, however, opt out of dealing with insurance carriers altogether, leaving the patient to seek reimbursement for covered services.

Opponents argue that concierge medicine further widens the gap between the haves and the have-nots. And, they say, it creates a hardship for those patients who can't afford it and may be uprooted from a medical practice they've known all of their adult lives, forced to find a new doctor among an ever-shrinking pool of primary care physicians.

As a primary care practitioner in the small community of Cape May Court House, Arthur Childs found himself seeing 60 to 80 patients a day. Exhausted by the grueling pace and discouraged by the assembly line medicine he felt he was delivering, Childs set up a concierge medical practice two years ago and cut his patient load from roughly 2,000 to 300.

"I wanted to be Marcus Welby," says Childs, referring to the kindly family doctor in the popular medical drama of the same name. "I wanted to be able to go from my office to the hospital, come back and be able to take care of my patient from start to finish. That type of doctor is now a dinosaur. But I'm able to keep it going now in my little world with this type of medicine."

During a six-to-12 month transition, Childs says he referred those people who chose not to pay his annual concierge fee of up to $1,800 to other primary care doctors in the area, while waiving the fee for a handful of his patients who could not afford it. He now sees, at most, 10 patients a day.

"By implementing a Patient Centered Medical Home, I finally have the time and freedom to provide old-fashioned, personalized care in a technologically advanced manner. I can now offer unhurried office visits, be able to see patients when needed and be accessible to personally handle my patient's emergencies," he writes on his website, drarthurchildsmedicalhome.com.

"I tell my patients, 'What happens if you're in Florida and you wind up in the emergency room? You have my cell phone, you have the doctor call me. Or you can call me, and I will coordinate your care,'" says Childs.

Lenny Catanoso learned the value of having that kind of access to his doctor firsthand when his wife suffered an acute case of pancreatitis earlier this year and was transferred to a Philadelphia hospital for specialized care.

"You're scared. You've never been to a hospital in a big city," says Catanoso, 61, a landscape contractor in Cape May Court House who, along with his wife, son, daughter-in-law and elderly parents, is a patient of Childs. "Just being able to communicate with him in a text (message), and having him get back in touch with me in a matter of minutes, was comforting. I never felt like I was in the dark."

Pediatrician Edward Kulich, too, became disillusioned with working within the confines of a large group practice in Florida.

"You don't really know your patients very well, despite your best intentions. You have three rooms packed and
waiting and people in the waiting room,” he says. “You walk up to the door, grab the chart and take a look just to refresh your memory about who you’re about to see and what you saw them for last time. Then you have 10 to 15 minutes to get everything done.”

Now Kulich strictly makes house calls to families in New Jersey, New York and Connecticut, as the sole physician of KidsHousecalls, the VIP concierge practice he established three years ago in Manhattan. He accepts no more than 200 patients in the pediatric practice and his fees start at $300 a visit for urgent care, with a discounted annual rate for families with multiple children and those who use him on a frequent basis. Nor does he participate with any insurance plans, although he says that parents who file a reimbursement claim with their insurance company can usually get back 50 percent to 80 percent of his fee.

“I don’t have a staff. It’s just me,” says Kulich, who also founded the American Academy of Concierge Pediatrics. “My patients have my cell phone. They call me directly. There’s no middle man. They’re really happy because they don’t have to go through an answering service to get to me. It’s such a simple way to practice.”

There are no exact numbers of how many primary care physicians are converting their practices to this model of health care. But, according to AAP estimates, the number of concierge doctors has risen nearly 40 percent over the past 20 months to about 4,400 nationwide, 100 to 150 of them in New Jersey.

The average primary care physician earns about $200,000 a year, well below what most specialists make. David Knowlton, president and CEO of the New Jersey Health Care Quality Institute, says an argument can be made that concierge medicine, with its potential $500,000 and more annual income, is a means to help retain and attract primary care providers to the field. But, he says, spending that much more on primary care is a “rather steep price to pay” to address the shortage.

“As I see it, primary care concierge practice is an attempt at a solution to a real problem, but it fails to accomplish its goal in a way that is helpful to the average consumer,” says Knowlton.

In 2003, the American Medical Association issued guidelines, saying that while individuals are free to enter into retainer contracts with their physicians, such practices “raise ethical concerns warrant careful attention, particularly if retainer practices become so widespread as to threaten access to care.”

Still, public health officials appear to be taking a closer look at the benefits of the concierge medical model.

“This is a model that is resonating with people. People want it,” Knowlton says. “When was the last time you had people out there seeking to spend money out of their pocket for health care? It’s working. So let’s figure out how we can make it work for a broader population.”

In January, the New Jersey Department of Banking and Insurance issued new guidance on the practice, modifying and rescinding, in part, a joint position taken earlier by itself and the New Jersey Department of Health and Senior Services.

The joint bulletin released in August 2003 had concluded that certain aspects of in-network provider retainer contracts were discriminatory and that “many of the services that (concierge) providers claim as additional services in fact are required under New Jersey law to be covered under most health benefits plans.”

The updated DOBI bulletin, dated Jan. 9, states that “some mutually beneficial arrangements between patients and doctors have been hindered” by the earlier guidance. It “recognizes that the ability to provide an enhanced level of care may necessitate limiting the number of patients a provider can accept.” And it states that “in-network physicians offering retainer services will not be considered a discriminatory practice” provided certain safeguards are met.

“We’ve got to look at it as a policy matter,” Knowlton says. “For me, we should get it off the moral footing of, ‘Well, you shouldn’t charge (a concierge fee) because then poor people are getting screwed.’ That misses the point. The point is, what is the best way to deliver this care and what is our obligation as a caring society?”

EDWARD KULICH, a pediatrician who makes house calls in New Jersey, New York and Connecticut through his concierge practice, KidsHousecalls.