

Doctor's Digest PODCAST: *Your Practice and the Recession* “Novel Coping Strategies for the Recession”

Hello and welcome to this new series of podcasts brought to you by the publishers of *Doctor's Digest*, bridging the gap between the business of medicine and the practice of medicine, with single-topic manuals that provide practical solutions from the experts.

The recession and its aftermath have inspired many physicians to reconsider changes in their practice that they would have either ignored or discounted before. Some of those changes may make enough business sense for you to retain even after the economy makes a full recovery.

One such strategy is to begin selling items from your practice even though they are not reimbursable by Medicare or other insurers. Although selling vitamins or cosmetics may make some physicians uncomfortable, there are other product choices that may be more widely palatable. Dr. Frederick Turton, chair of the American College of Physicians' Board of Regents, offers a useful test for determining whether a particular product is acceptable for you to sell:

First, the product should relate directly to your type of practice. Second, the product should be supported in the literature. Third, it should be medically appropriate. Fourth, the price should be right. Fifth, there should be no conflict of interest for the physician. And finally, the evidence—or full disclosure—for the product should be readily available to the patient. To cite an example, Dr. Turton says, selling crutches from your office could be appropriate in a rural area where patients can't obtain them nearby. “When a doctor sells a product,” he concludes, “he is recommending it. If he can't support its appropriateness, then he shouldn't sell [it].” Please refer to your state's medical governing body rules to make sure that your product meets their guidelines.

Another coping strategy is to become a concierge medical practice. In this model, also known as “direct medicine,” practices charge membership fees for highly personalized care and 24-hour access to a primary care physician. The appeal is that patients can call your cell phone any time for a same-day appointment or with a medical question. Practices usually charge a minimum of \$1,500 a year, but rates can be as high as \$25,000 for an entire family. While that fee may seem hefty, it can actually be cost effective, says Dr. Thomas LaGrelus, president of the Society for Innovative Medical Practice Design, based in Torrance, California. “For patients out of work and paying their own bills, joining a direct practice [could] be the most economical way of getting excellent primary care. Some practices cost as little as \$39 a month for full primary care services; [and] if my patients have serious economic problems, I have waived their fee on occasion.” Only about 20% of concierge practices accept the membership fee as payment in full for all or almost all services. Like most other concierge practices, Dr. LaGrelus bills insurance companies or Medicare for services not covered by the annual fee. Eighty percent of his income, however, comes from the annual fee.

A third novel strategy is bartering. If you're looking at empty slots on your schedule or frustrated with Medicare or insurer reimbursement rates, you might consider accepting a bartering arrangement as payment for your services. Although rules vary from one bartering group to another, when you join such a group, you receive taxable credit or “barter bucks” that are good toward various services offered by the group's clients. For example, when someone in your group obtains medical care from you, you can then spend your barter proceeds earned from this transaction for a service that you select—such as lawn care. Bartering has become more popular

because of the recession. In healthcare it has primarily included areas not typically covered by insurance, such as chiropractic, optometry, dentistry, and plastic surgery; but that is changing. There are currently about 400 barter exchanges available in the U.S.