
https://dailyprogress.com/news/local/as-health-care-costs-rise-charlottesville-area-practitioners-test-new-options/article_73a13540-ecf4-11e7-b7d7-c34e7bf2fcef.html

As health care costs rise, Charlottesville-area practitioners test new options

Ruth Serven Smith
Dec 29, 2017

SALE! Subscribe for \$1/mo.





Dr. Maura McLaughlin

ZACK WAJSGRAS/THE DAILY PROGRESS

Ruth Serven Smith

Dr. Maura McLaughlin tells of a friend who went to the doctor with strep throat. Ten minutes and one lab test later, she was sent home with a bill for \$600, which she'd have to pay out-of-pocket.

As the costs of doctor's visits, prescription medications and surgeries rise and the number of insured individuals with high-deductible plans increases, more and more health care providers in the Charlottesville area are trying to increase options and lower the costs of care.

McLaughlin worked at Stoney Creek Family Medicine in Nelson County for nine years after finishing her residency. While there, she realized that more and more families were paying for insurance but still couldn't afford to come see her.

At a conference in 2015, she heard about a model called direct primary care, and felt like a light bulb had been switched on.

“It’s the only time at a conference that I’ve wanted to stand up and cheer,” McLaughlin said. “I knew that part of what I wanted to do as a family physician was take care of everyone, regardless of costs.”

Direct primary care is a simple concept: pay a regular doctor a fixed monthly fee and get unlimited visits. Most of McLaughlin’s patients pay her \$60 per month, less if they’re under 30. If patients need a common test or lab work, they pay a reduced price, often less than a tenth of the insurance-inflated price charged by a traditional practice.

“This model lets people have a monthly fee they can budget in, and then they have care when they need it,” McLaughlin said.

She still recommends that patients have insurance for emergencies, but if a patient has a high-deductible plan, where a regular doctor’s visit can cost anywhere from \$50 to \$250, McLaughlin’s monthly fee is pretty attractive. And because she doesn’t spend time billing insurance companies, McLaughlin feels less pressure to see patients on a rapid schedule, has fewer overhead costs and can offer more personalized care.

“Because of the nature of [direct primary care], we’re very attuned to the cost, which is hard as a physician because we’re not trained to do it, but if I prescribe a drug and it’s too expensive and they aren’t going to go buy it, that’s going to take a toll on their health,” McLaughlin said. “As a country, I feel we’ve equated health insurance with health care. One of the things direct primary care does is clarify that difference. What I’m doing wouldn’t have been crazy 50 years ago.”

As the health care landscape shifts, McLaughlin said she’s confident direct primary care is one of the models best able to adjust. Direct primary care claims to reduce overhead by more than 40 percent; McLaughlin answers her own phones, books her own appointments and manages agreements with local testing centers.

A September 2016 survey found that 51 percent of workers had a plan that required them to pay at least \$1,000 out of pocket for health care until insurance kicked in.

According to a 2015 study published in the Journal of the American Board of Family Medicine, there were 141 direct primary care practices with 273 locations across the country in 2014. Virginia only had a few at the time of the study. Nationwide, the average monthly fee was \$77.

Professional reactions to the movement are mixed. The American Academy of Family Physicians supports it, while the American College of Physicians has not taken a stance.

Direct primary care isn't the only type of medical care challenging established hospitals and insurers. The number of ambulatory surgery centers, which offer outpatient procedures, has more than doubled since 1999.

The Monticello Community Surgery Center, off U.S. 29 in Albemarle County, was established in 2003 and became independent of Sentara Martha Jefferson Hospital in 2012. The center, owned by a group of physicians, offers a range of outpatient surgeries, from Achilles tendon repair to cataract removal. The prices of many common procedures are listed on its website.

“I’ve worked in health care for 19 years, and this is the first time in my life I’ve known how much everything costs,” said Andy Poole, CEO of the center.

Recent uncertainty with the Affordable Care Act and rising premiums on the individual market have raised awareness of the model, Poole said, and many people have reached out to the center in the past few weeks.

Additionally, at the end of the year, many people on high-deductible plans who haven’t yet incurred significant expenses are looking at cash prices for procedures at the center rather than through a provider in their insurance network, Poole said.

“As the rates become unsustainable, more and more people might take the hit and lose insurance and roll the dice on their health,” he said. “This will lead to more awareness on the matter of transparency. We want to foster this because we want people to be aware of what’s going on and how their decisions on insurance and care impact each other.”

The market is stacked toward big insurance corporations and against small groups like the Monticello center, which in certain instances bypasses insurance, Poole said.

Still, rising costs in the employer market have made more and more employers turn to self-funded health plans, which can lower costs but increase risks for companies.

The Monticello center has signed BevCap, a beverage conglomerate, and is speaking with other companies that are thinking of dropping their health plans and sending any employees who need surgery to Monticello.

“No matter how your health care is paid for, at the end of the day you’re paying for it, and people need to demand value and get that value,” said Dr. Jordan Hackworth, an anesthesiologist at the center.

Hackworth said he thinks that premium increases for individuals and employers will encourage more and more customers to become more active and knowledgeable about their options and turn toward independent care providers. If that happens, he said, the center will be ready.

“We hope we’re on the cusp of a sea change in health care,” Hackworth said.

Ruth Serven is a reporter for The Daily Progress. Contact her at (434) 978-7254, rserve@dailypprogress.com or [@RuthServen](https://twitter.com/RuthServen) on Twitter.

 0 comments

Get local news delivered to your inbox!

Subscribe to our Daily Headlines newsletter.

Email Address

Sign up!

* I understand and agree that registration on or use of this site constitutes agreement to its user agreement and [privacy policy](#).

Ruth Serven Smith

Ruth Serven Smith is an assistant city editor for The Daily Progress. Contact her at (434) 978-7254, rserve@dailypprogress.com or [@RuthServenSmith](https://twitter.com/RuthServenSmith) on Twitter.

Most Popular