

**Statement on SB 926, Direct Primary Care Medical Service Agreements
Pennsylvania State Senate Banking & Insurance Committee**

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My name is Patrick Rohal, and I am a family physician in Lancaster. Thank you for hearing my testimony today in favor of SB 926. I opened my Direct Primary Care practice, CovenantMD, in January, 2016. We started with zero patients, and in twenty-three months we've become the primary care home for 843 patients, including employees of 10 businesses.

My former life as a fee-for-service physician, and my current one as a DPC physician, are quite different. Let me describe for you a day in the fee-for-service world, both for me and for my patients. I would see 25 to 30 patients a day. Those patients would have 15 to 20 minute appointments, at least 5 minutes of which was spent with the nurse for vital signs and basic history. When I finally walked into the exam room, my most common opening line was "I'm sorry to have kept you waiting." I was typically only able to address one complaint in that visit. If there were other complaints, I would have to ask the patient to schedule a return visit, taking additional time and introducing further delay in their treatment. Both me and my patient would also have very little insight over the true total or even out-of-pocket cost of their visit. Fee for service breeds burned out doctors and frustrated patients.

Now I'm 23 months into my DPC experiment. What has the experience been for my patients so far? My patients' monthly fee (which ranges from 15 to 85 dollars a month depending on age) includes same or next-day visits to the doctor, without copays, when they need them. It includes after hours, weekend, and holiday coverage by the doctor that knows them. We perform phlebotomy in our office with prices for tests that are often 10% of what they would otherwise pay. And we dispense medications at prices, again, often 10% of average wholesale prices. The reality that I've seen is that savings such as these tear down one of the biggest

barriers to patients engaging our healthcare system, and that is cost, even the cost of primary care. And then DPC brings the time factor. I now see 10 to 12 patients on a busy day at CovenantMD. And our patients enjoy 30, sixty, and sometimes ninety minute appointments with their doctor. So no longer are we limited to addressing one health problem on their list. We can now address all of their problems, and we can do it in one visit.

I would like to provide examples of what DPC has meant for our patients in terms of convenience and cost savings. Just this past Wednesday one of our patients called my partner, Doctor Susan Mellinger, complaining of fever, cough, and chest pain. The patient was home alone at the time, and anticipated difficulty driving due to the pain. So Doctor Mellinger did a home visit, which we do at no additional charge during business hours. The patient needed a chest x-ray, so Doctor Mellinger drove the patient to a local radiology office that charges just \$45 for x-rays for CovenantMD patients. This stat x-ray showed pneumonia. Dr. Mellinger then drove the patient back to her home, and dispensed a full course of antibiotics from her doctor bag for \$7. The total cost to this patient for this entire encounter was \$58. This example illustrates all three of what I think are the primary benefits of DPC: streamlined access to care, increased value, and ample time with the physician. The patient remarked to Dr. Mellinger, "This is a blessing beyond words." The patient has since made a full recovery.

A second example concerns one of our business clients. This business is self-funded and employs 50 workers. In early 2016, they undertook a pilot enrollment of three employees and nine family members. If we tabulate the total monthly fees paid to us by this business, and what these twelve patients spent in our practice on medications, labwork, and radiology, and we compare these numbers to what we anticipate they would have spent in a fee-for-service model, we likely saved this employer \$7,400, or an average of \$600 per patient, over a period of 15 months. At their next health insurance enrollment this past September, this employer opened up our services to all of their employees and their family members. This means that

64 people now have improved access, higher value, and ample time with their physician, at no extra cost to them, while still having a high-deductible insurance plan for those less-common, more expensive occurrences.

So what does Direct Primary Care mean for me, my patients, and our healthcare system? It means prioritizing primary care as the bedrock of healthcare. It means giving primary care doctors the resources to practice broader spectrum primary care, thereby decreasing the care fragmentation borne of specialist referrals. It means reinvigorating primary care specialties, who struggle every year to recruit medical students into training residencies, thereby exacerbating the primary care shortage. And most importantly, for patients, it means a return to a healthy patient/doctor relationship. Thank you.