Health Care Legislation Paves Way for Direct Primary Care Medical Homes to Compete in Insurance Exchanges

Flat-Fee Health Care Option Provides Patients and Small Businesses Lower-Cost Alternative to Traditional Insurance Plans

SEATTLE, WA--(Marketwire - March 23, 2010) - A relatively little-known provision in H.R. 3590, the Patient Protection and Affordable Care Act, signed into law by the President today, creates an affordable new choice for individuals and businesses by allowing flat-fee direct primary care practices, commonly referred to as "medical homes," to compete within the state-based insurance exchanges where many Americans and small businesses will be able to shop for health coverage beginning in 2014.

This provision enables Americans to elect a more affordable health care option to traditional insurance plans -- an alternative in which patients and/or employers pay a flat monthly fee directly to a primary care provider for all primary and preventive care, chronic disease management and care coordination throughout the entire health care system. Under the new law, a flat-fee direct primary care medical home membership can be bundled with a new, lower-cost "wrap-around" insurance plan that covers unpredictable and expensive services outside its scope, such as specialist care, hospital stays or emergency room visits.

Direct primary care practices already exist in more than one-third of U.S. states, offering affordable health care alternatives to more than 50,000 Americans, according to the Direct Primary Care Coalition (www.dpcare.org).

"Whether or not you support the health reform bill in its entirety, I think we can all agree that allowing affordable, innovative solutions to compete with traditional insurance-based plans to bring down the high cost of health care is a good thing," said Garrison Bliss, MD, co-founder of the Direct Primary Care Coalition, who is also co-founder and Chief Medical Officer, Qliance Medical Management Inc., which operates three clinics in Washington State. "Health insurance adds tremendous value for expensive, unpredictable medical needs that fall outside the scope of primary care, and this new law will mean insurance companies can now create lower cost 'wrap-around' policies to cover what direct primary care does not."

"It's reassuring to see that Members of Congress and the President recognize the flaws in the status quo and the inherent value in flat-fee direct primary care medical homes that we've already proven can consistently deliver patients and businesses greater access to high quality care at lower costs," added Dr. Bliss. "I would also like to personally thank Senator Maria Cantwell,
Senator Patty Murray, and Representative Brian Baird for their relentless support and the work they have done to make sure that direct primary care is included in the bill, and remains a choice for all Americans."

Dr. Bliss pioneered the direct primary care medical home model in Washington State more than a decade ago. Today, flat-fee practices like Qliance offer affordable, high-quality health care at up to 50 percent less than the cost of traditional insurance, even when combined with a lower-cost "wrap-around" insurance plan that covers what direct practices do not. Benefits of direct primary care membership can vary by provider, but typically include many of the following:

- Unhurried 30- to 60-minute office visits
- No limits for pre-existing conditions
- No deductibles or co-pays
- Same- or next-day appointments for urgent care needs
- Open 7 days per week, with 24 hour cell phone and email access to a physician
- Low, predictable monthly fees as low as $49 per month plus savings on third-party wrap-around insurance plans
- On-site x-ray, laboratory and "first-fill" prescription drug dispensary
- All routine care including vaccinations, routine blood tests, women's health services, pediatric care, on-site procedures (suturing, casting, colposcopies, etc.) and ongoing management of chronic diseases like diabetes, hypertension and obesity
- Coordination of any needed specialist and hospital care as a "medical home" model

"Direct primary care puts the focus on access to quality patient care, not on insurance billing. We have been able to create a delivery model that works for those who are uninsured, and for small business owners. Our practice provides preventive primary care and long term care management, and Congress has recognized the vital role we can play in this new system," said Dr. Vic Wood, Founder and Physician at Primary Care One in Wheeling, West Virginia. "I commend Congress for giving Americans access to an additional health care option that is driven by patient needs not insurance company red-tape. This option is about patient care."

"The direct primary care provision is the only part of the health reform bill that is going to reverse the high cost of today's health care," said Dr. John Muney, founder of AMG Medical Group, which operates five direct primary care clinics serving all five boroughs of New York. "We applaud the work of Congress and those members who support this provision and fought to make sure Americans were provided a new choice for accessing health care."

Direct primary care medical homes can typically service approximately 90 percent of the medical issues most people need to see a doctor for. By removing time-consuming and costly insurance reimbursement processes from routine and inherently low-cost services and procedures, direct primary care practices eliminate approximately 40 cents of every dollar currently wasted in traditional insurance models.

For more information about the benefits of flat-fee practices for patients and doctors, visit the Direct Primary Care Coalition at www.dpcare.org.

NOTE TO PRODUCERS: B-roll of direct primary care medical home practices that includes interviews with a doctor, patient and employer is available by contacting pr@qliance.com.