

Will patients pay more for quality care?

# Doctor to provide area's first 'concierge' practice

By Christopher Snowbeck  
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At a time when health-care costs are going through the roof, pediatrician Scott Serbin is betting that some patients are willing to pay more.

This December, Serbin will become the first doctor in the Pittsburgh area to open a "concierge" medical practice, meaning he will dramatically reduce the number of patients he sees

so that he can provide better service to those who remain.

That service will include everything from longer appointments and prompt return phone calls to personalized fitness plans and house calls.

For families, this will come at a cost not covered by health plans.

Parents of children up to age 6 will have to pay \$100 per month for a spot in Serbin's practice. For children 7 to 18

years, Serbin will charge a fee of \$50 per month.

Serbin sent a letter to patients last month explaining the change and included a medical journal article describing the ethical questions the concierge medicine trend has raised. Foremost among those, Serbin will part ways with many of the more than 2,000 patients in his practice who have come to rely on him for care.

But concierge medicine rep-

resents a chance for medicine to be practiced in a way doctors and patients think is best, Serbin said.

"I'd really like to give patients the care we'd all like to give. A very personal relationship with our physician, a physician who's on call all the time," he said. "This is Marcus Welby."

After 18 years of treating children from his North Side office, Serbin said he is turning

to a concierge practice due to frustrations with the current state of medicine.

Declining reimbursements and increasing costs, such as those for medical malpractice insurance premiums, are driving many doctors to see more patients to maintain their incomes, Serbin said. He succumbed to this, too — although to a lesser extent than others, he believes — but now finds the trade-offs to be impossible.

Reducing the number of patients he sees in his new practice — called Pinnacle Pediatrics — will mean he can provide a number of new services, he said. All calls during office hours will normally be returned within one half hour, Serbin pledged, and he will deliver the care at all times, except for one weekend per month and four vacation weeks per year.

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# Frustrated with rising costs, doctor tries concierge care

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While new to Pittsburgh, concierge practices have been around elsewhere for several years.

In May, the Michigan-based American Society of Concierge Physicians held in Denver its first conference, drawing 135 doctors, nurses and practice managers. About 60 percent of those in attendance already practice concierge medicine, estimated Jack Marquis, general counsel for the society.

The first such practice was established by two internal medicine doctors in Seattle in 1996. Concierge practices modeled after the Seattle group don't expect any reimbursement from health plans for the medical care they provide, Marquis said.

Other concierge practices charge a fee for the expanded access to doctors that they give patients, but they also bill a patient's health plans for the medical services.

A third model for concierge care seeks reimbursement for services, but also assesses a charge at the time of each doctor visit.

The common denominator in

all three is that doctors treat a reduced number of patients, Marquis said.

Serbin's practice will be similar to the Seattle model, but with some differences, said Michael Blau, a lawyer with the Boston firm McDermott, Will & Emery LLP. Blau is helping Serbin create his practice, which will encourage patients to switch into a health insurance policy with a higher deductible for primary care.

Serbin will accept any reimbursements that health plans send his way, but the prime source of revenue will be the monthly fees. Families with three or more children will be charged just \$20 per month for the third child on up.

Some families won't be able to pay for the service, Serbin acknowledged, saying he regrets having to break so many doctor-patient relationships. The new practice might have between 300 and 600 patients, he said.

But being a doctor in the current environment is just too unsatisfying, he said.

While wealthy patients might be in the best financial position to join the new practice, Serbin said it's not a certainty that he will treat only the rich. He pointed out that less affluent families often find a way to pay more for parochial schools.

"Just as some individuals choose to pay extra for private schools, health clubs, first-class air travel, box seats for a baseball game, etc., so, too, they may choose to pay extra for a greater level of service from their physician," he wrote in his letter to patients. "This is discretionary spending on the part of these consumers — it does not in any way decrease the amount of resources available for health care.

"In addition, with over 200 pediatricians in Allegheny County, the conversion of my practice to this model does not represent any threat to access of care," Serbin wrote.

That comment responds to one of the ethical problems raised by the trend. Recommendations adopted by the American Medical Association in 2003 argue that concierge practices may be unethical if no other physicians are available to care for patients.

Even so, the AMA's statement endorses the practices. Individuals are free to select health plans on the basis of what they see as acceptable trade-offs

between quality and costs, the AMA pointed out. So retainer contracts whereby doctors provide special services and amenities to patients who pay additional fees are consistent with the pluralistic structure of health care here.

But physicians in concierge practices still have a professional obligation to care for those who can't pay, the AMA says. Serbin believes he will be able to provide more charity care through the new practice, since it will give him more time for volunteer work.

In changing his practice, Serbin will no longer be a participating provider in health plans run by Highmark Blue Cross Blue Shield.

Dr. Don Fischer, medical director for strategic physician relations at Highmark, said the insurer is simply conforming with Medicare policy in not allowing a concierge practice to be a health plan provider.

"We just believe that to put out in our directory that here's a provider that's part of the network, but you can go to them only if you pay extra fees — it comes back to equity and fairness and having the same standard of care across the network," Fischer said. "But that's in no way being disparaging of people who want to set up a concierge practice. ... He's an outstanding pediatrician."

Highmark customers can continue to see Serbin, of course, but with reduced Highmark coverage.

The big question is how many people will be willing to pay for concierge care. Serbin said he has talked to many patients who are excited about joining the new practice, although he acknowledges it won't be for everyone.

Lisa Frank, 43, of the North Side — and the mother of 2-year-old Sam — is one who won't be signing up. Frank says she and her husband might be able to scrape together the money for concierge care, but they just don't like the idea of it.

"The health-care system stinks in a lot of ways," Frank acknowledged, agreeing with many of Serbin's criticisms of care today. "But it is not an adequate response to the failure of the health-care system to say 'I'll carve out a little niche for me and my wealthy patients.'"

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