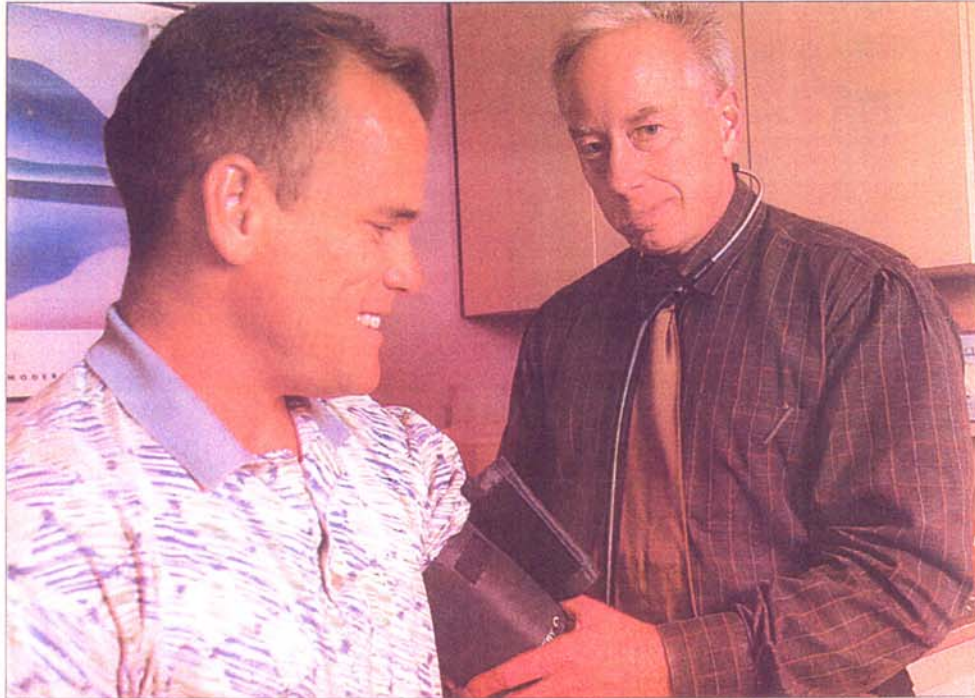


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A NEW APPROACH TO HEALTH CARE COVERAGE



SONJA PANISKAZ

EASING PRESSURE: "I realized there had to be another way," says Dr. Squires, who turned entrepreneurial.

Doctors make personal care their business

BY MEG WALKER
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A new way of practicing medicine calls for doctors to be more entrepreneurial — and patients to spend more money.

Dr. Leslie Squires, a San Francisco internist, recently announced to his patients that he is launching md.ltd, a personalized health-care service. Patients can pay an annual membership fee — \$2,400 for privately insured patients and \$2,100 for Medicare patients — for services such as a 90-minute physical, same-day appointments, Squires' cell phone number, email access and house calls.

So far, about 20 of Squires' patients have signed up for the service. He has chosen not to close the door to the rest of his 2,000 PPO and HMO patients, though he is not taking new HMO patients. As his membership business picks up, he hopes to pull out of HMO contracts entirely. The arrangement also means his PPO patients must now see him as an out-of-network doctor, and that will cost them more.

Building a practice

"Boutique" or "concierge" practices like Squires', which treat fewer patients and require a payment on top of insurance reimbursements, are popping up as doctors struggle to wring more money out of the health-care system. At the extreme end are "retainer doctors," who treat only a handful of

'The contract is between them and me. I'm not working for the HMO or PPO!'

Dr. Leslie Squires
San Francisco internist

patients and require a retainer of \$10,000 or more per year.

If Squires' enhanced service takes off, he hopes to get about 200 to 300 patients signed up. In a couple of years, he wants to double his income.

Squires said he moved to the md.ltd service after months of planning. He has spent \$20,000 to prepare for the switch. He's printed brochures and hired a marketing service to help spread the word. He even took a class at Stanford University's Graduate School of Business designed to help doctors who want to pursue other careers. He also invested in an electronic medical record that will help track and monitor patients' conditions.

After 10 years in private practice, and a prior stint as an emergency room doctor, Squires, 56, said he is sanguine about the consequences of a trend of doctors offering personal services.

If all doctors did this, "the access problem could be very serious," he acknowledged.

But, he has treated from 20 to 30 patients a day, and he still does not see savings accrue that would allow him to expand his business or hire extra help.

"I economized as much as I could and I was seeing as many patients as I could," he said. "I realized there had to be another way."

Treating patients with no time constraints has been a joy, he said.

"The contract is between them and me," he said. "I'm not working for the HMO or the PPO."

Getting personal

David Link has been treated by Squires for years, and he thinks he is going to benefit from being part of md.ltd.

Link is in his 50s and he comes from a family with a history of stroke. He felt he needed a more thorough physical and a wellness program that he could follow.

"When you look at a patient, you have to see the totality, and nowadays, especially with HMOs and other programs, you get five minutes, and the doctors rushes from patient to patient," he said. "You don't have quality time."

During his physical, Squires did a number of tests usually performed by technicians. He increased Link's medication and put him on a no-salt diet and urged him to exercise daily. Link will return for monthly visits so Squires can see how his blood pressure and other factors are responding to the new regime.

Link, a Catholic priest for the Archdiocese of Oakland, see the access problem this way:

"Doctors are not the culprits," he said. "They put in a lot of time and effort. It's the whole for-profit society we live in."