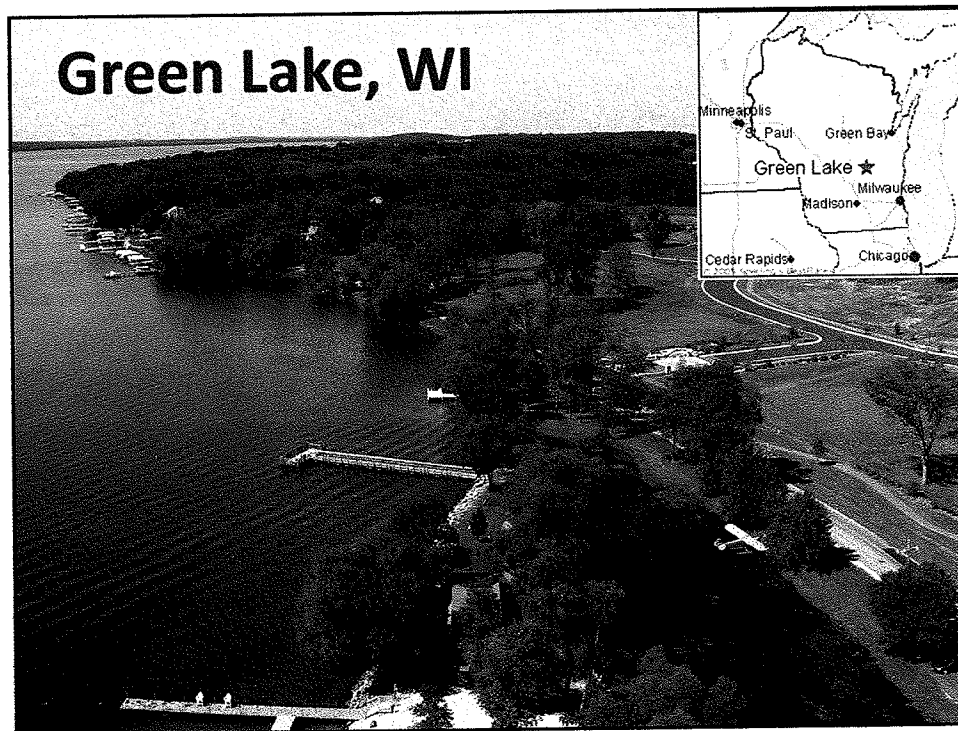
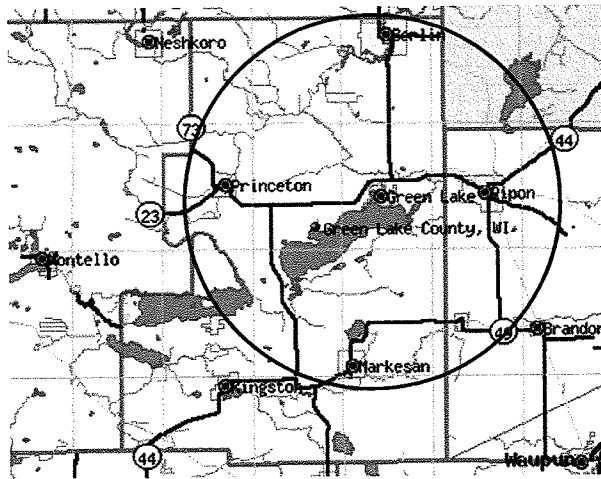


Improving Access to Affordable Healthcare in Wisconsin

A Fee-For-Service Approach



Area Communities



Populations

3,230 - Green Lake
 3,172 - Princeton
 4,460 - Markesan
 8,940 - Berlin
 10,460 - Ripon

Total: 30,262

Overhead Expense

- **62% Overhead**
 - Practice expenses/supplies
 - Building/maintenance costs
 - **3rd party payer expenses**
 - Insurance coding, claims filing, balance billing secondary insurance, claim appeals
 - **Accounts Receivable Expenses**
 - Monthly statements, patient balance billing, debt collection fees
- Not all overhead can be eliminated, however, it can be **significantly reduced** by eliminating costs associated with 3rd party payers and A/R expenses
- **The Fee-for-Service Model** can reduce many of these costs

Fee-For-Service Model

- Fee-for-service is a standard business model in which services are unbundled and paid for separately
- Patients pay at the time of service
 - Cash, Check, HSA Plan, Credit/Debit Card
 - No credit is extended
 - No insurance claims are filed

Goals

- To pass the cost savings directly on to the patient
 - **Significantly reduced fees** with no impact on physician income by reducing administrative overhead
- To make healthcare more readily available, affordable, and less complicated
- To provide high quality medical care for less
- Establish a transparent fee schedule for patients

PATIENT SERVICES	
BASIC FEE	
Office Visit.....	\$39
Complex Office Visit.....	\$59
Annual Male/Female Physical.....	\$70
Annual Female Physical (w/ pap smear).....	\$100
School Physical.....	\$39
Pre-Surgical Physical.....	\$70
CDL Physical.....	\$70
FAA Physical.....	\$65
ADDITIONAL SERVICES	
Procedures	
Blood Draw.....	\$8
Ear Wax Removal.....	\$12
Toenail Removal.....	\$28
Joint Injection.....	\$31
Lesion Removal (Electrocautery).....	\$15 each
Lesion Removal (Excision & Sutures).....	\$59 each
Simple Wound Repair (Sutures).....	\$49
Suture Removal.....	\$8
Hemorrhoid Removal (Banding).....	\$45
Vasectomy.....	\$500
Diagnostic	
X-Ray & Interpretation (Extremity).....	\$40
X-Ray & Interpretation (Chest).....	\$55
EKG & Interpretation.....	\$30
Pulmonary Function Test.....	\$20
Hearing Test.....	\$12
Vision Exam.....	\$5
Transnasal EGD.....	\$249
Flexible Sigmoidoscopy.....	\$89
Injections	
Tetanus Booster.....	\$29
Vitamin B ₁₂	\$6
Allergy Treatment (Depo-Medrol).....	\$18
TB Test.....	\$16
Laboratory	
Protime.....	\$11
Hemoglobin A1C.....	\$18
Blood Sugar.....	\$8
Urinalysis.....	\$9
Hematocrit.....	\$5
Mono Test.....	\$16
Strep Throat Test.....	\$18
Pregnancy Test (Urine).....	\$8
Pap Smear.....	\$30
Cholesterol Panel.....	\$30
Blood Chemistry Panel.....	\$30
Potassium, BUN, Creatinine.....	\$10 each
Thyroid Tests (TSH Free T-4).....	\$30 each
Prostate Cancer Screening (PSA).....	\$30
Other lab tests available at reduced fees.....	Quote
Miscellaneous	
Faxed Prescriptions.....	\$2 each
Form Completion.....	\$10
ACE Wraps/Braces/Slings.....	Retail
Oral Antibiotics.....	\$10
<i>We will strive to limit any additional costs, but not at the expense of appropriate medical care.</i>	
<i>Not all conditions can be appropriately managed or diagnosed by a primary care physician. Referral to a physician specialist will be made when clinically indicated.</i>	
<i>Specialized laboratory testing or pathology services may be clinically appropriate. This testing will be ordered through an outside facility and the cost will be the responsibility of the patient or their insurance.</i>	
<i>Any service not specifically listed as included should not be assumed to be included. If you have specific questions or concerns, or have a need for services not listed, please discuss them with us. Call (920) 294-3666 for additional information.</i>	

Who Can Benefit The Most?

- Uninsured
- High Deductible
- Large Co-Pays/Co-Insurance
- Health Savings Accounts
- Ineligible for county, state, or federal welfare
- Small businesses

Statistics:

The Kaiser Family Foundation: <http://www.statehealthfacts.org>
 WI Farm Bureau Federation: <http://www.wfbf.com>

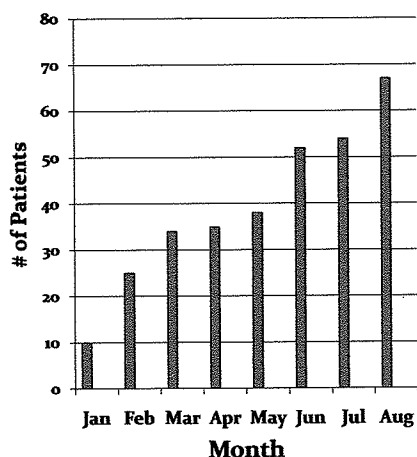
Fee Schedule Comparison

	<u>ACCESS</u>	<u>STANDARD</u>	<u>SAVINGS %</u>
Basic Office Visit	\$39	\$108	64
Complex Office Visit	\$59	\$163	64
Complete Physical	\$70	\$235	70
<hr/>			
Ear Wax Removal	\$12	\$104	89
Mole/Wart Removal	\$15	\$267	95
Joint Injection	\$31	\$158	81
Lung Function Test	\$20	\$64	69
Vasectomy	\$500	\$1,202	59
Hemorrhoid Removal	\$45	\$379	88
Nail Removal	\$28	\$223	87

Fee Schedule Comparison

<u>LAB TESTS</u>	<u>ACCESS</u>	<u>STANDARD</u>	<u>SAVINGS (%)</u>
CBC	\$20	\$65	69
Protime	\$11	\$28	60
Hemoglobin A1C	\$18	\$42	58
Glucose	\$8	\$19	58
Cholesterol Panel	\$30	\$119	75
PSA	\$30	\$93	68
TSH	\$30	\$102	70
Free T4	\$30	\$115	74
Mono Test	\$16	\$24	33
Urinalysis	\$9	\$32	72
Potassium	\$10	\$32	31
Strep Throat	\$18	\$34	48
Creatinine	\$10	\$47	79

Growth of Practice



- Steady growth
- Generally takes two years to grow a new practice
- Primarily word-of-mouth

Potential Cost Savings in WI

Based on Fee-for-Service Model at the Primary Care Level

- **\$31.2 Billion** spent on healthcare in WI (2004)
- **\$2.18 Billion** spent on primary care (7%)
 - A 50% cost reduction for primary care services using this model would save **\$1.09 billion per year**

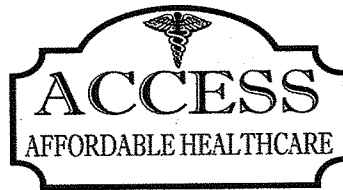
Data Source: <https://www.stattehealthfacts.org>

Considerations for the Committee

- Could this model be applied to Medicaid patients and other government insurance programs?
- Could this model expanded throughout the state?
- Could this model be expanded to include services than primary care, such as specialist care, surgical and diagnostic centers?

Future Investigation

- Would the committee's further investigation of the fee- for-service model benefit from a collaboration with the UW School of Medicine and Public Health or UW School of Business?
- Are there government or research grants available to explore this issue?



Thomas R. Willett, D.O.
AccessHealthcare@centurytel.net

Andrew C. Thorp, R.N.
acthorp@wisc.edu

**Access Affordable Healthcare
N6205 Busse Drive
Green Lake, WI 54941
(920) 294-3666**