



epiphany

H E A L T H

Affordable Direct Primary Care

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DOCS4
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FOUNDATION



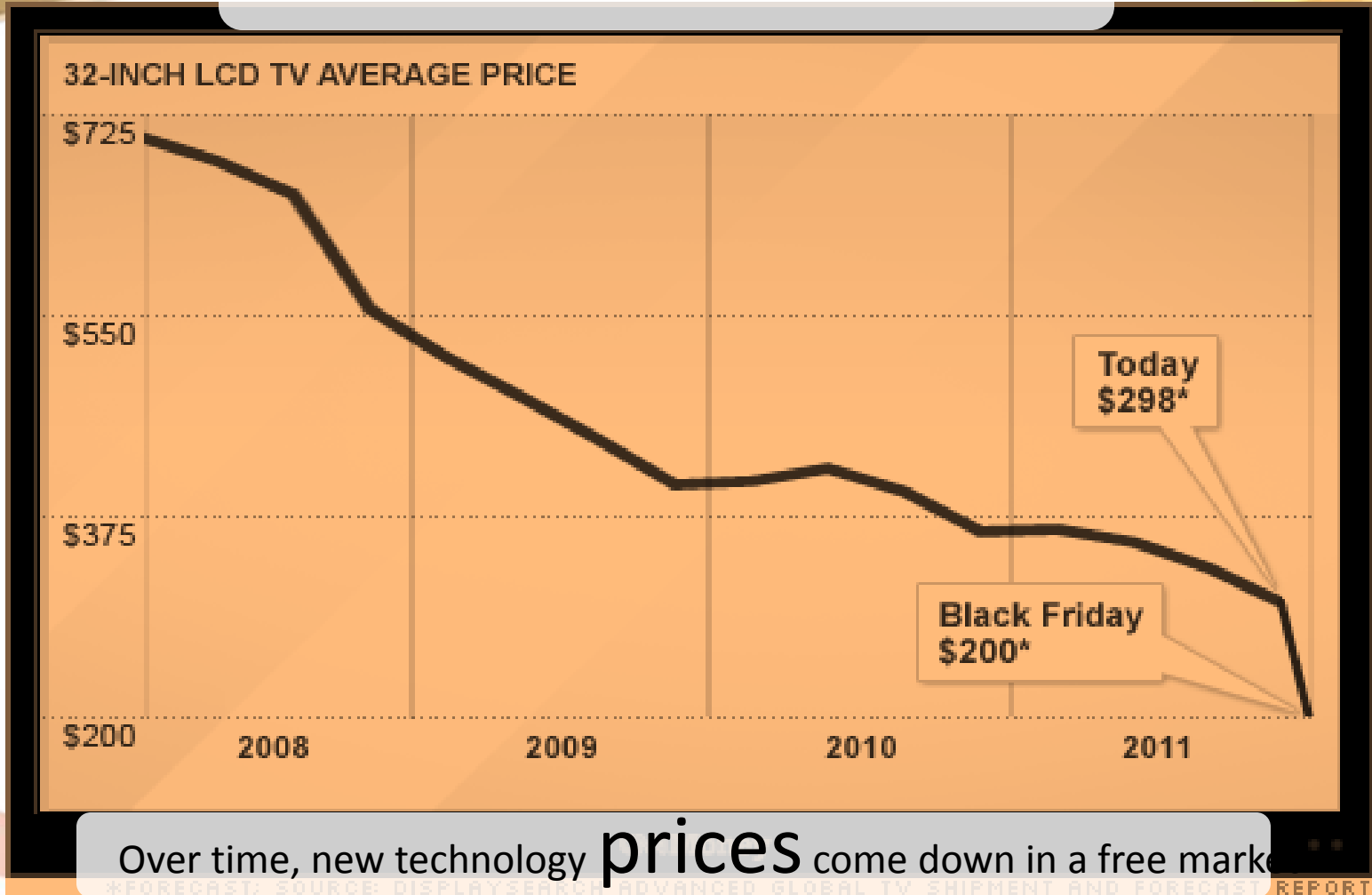
What was the Epiphany?

- **Primary care SHOULD be affordable!**
- Why is basic health care so expensive?
- Third party disconnect from cost makes it expensive.
- Outside factors drive cost
 - Hospital
 - Administrative costs
 - Pharmacy
 - Imaging
 - Labs
 - Specialty care
 - Physical Therapy

What is Epiphany Health?

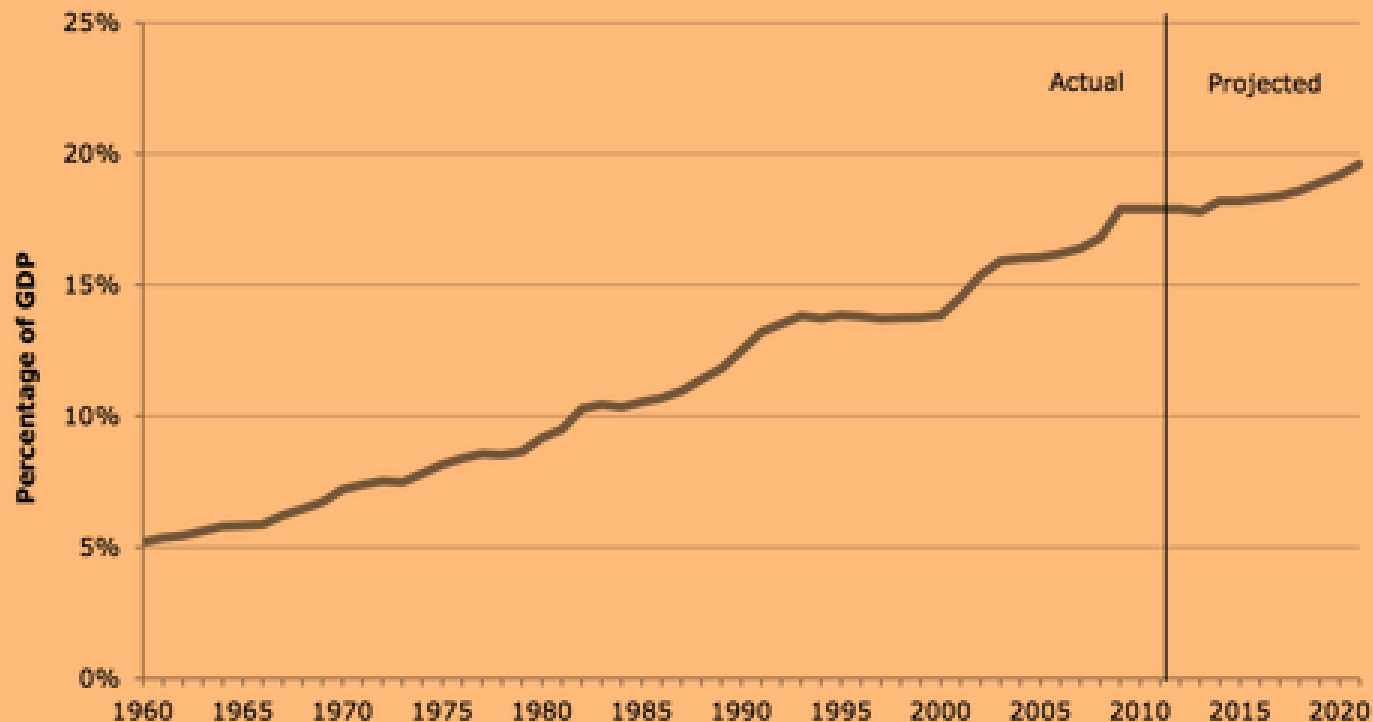
- Direct Primary Care
 - Membership Based Patient-Centered Medical Home
- Includes:
 - Comprehensive primary care and wellness services
 - Access to a steeply discounted network of labs, imaging, specialty care, physical therapy, pharmacy and more.

Free Market Model



What about health care prices?

Figure 2: U.S. National Health Expenditures as a Share of GDP, 1960-2021

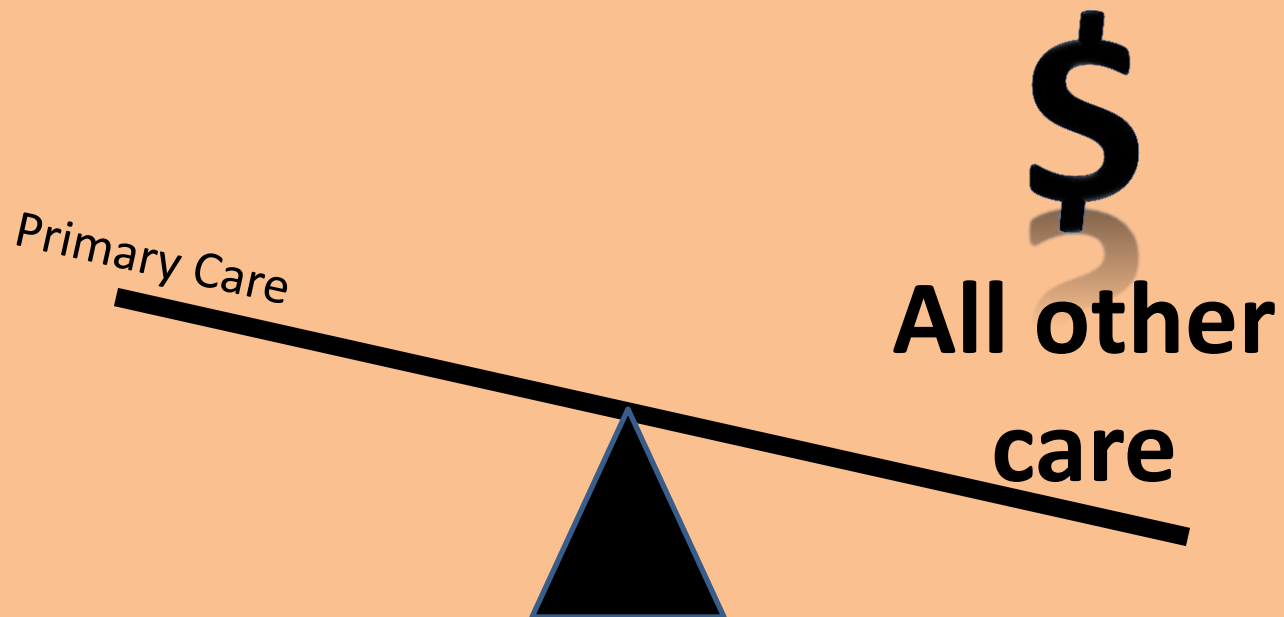


Source: Centers for Medicare and Medicaid Services.

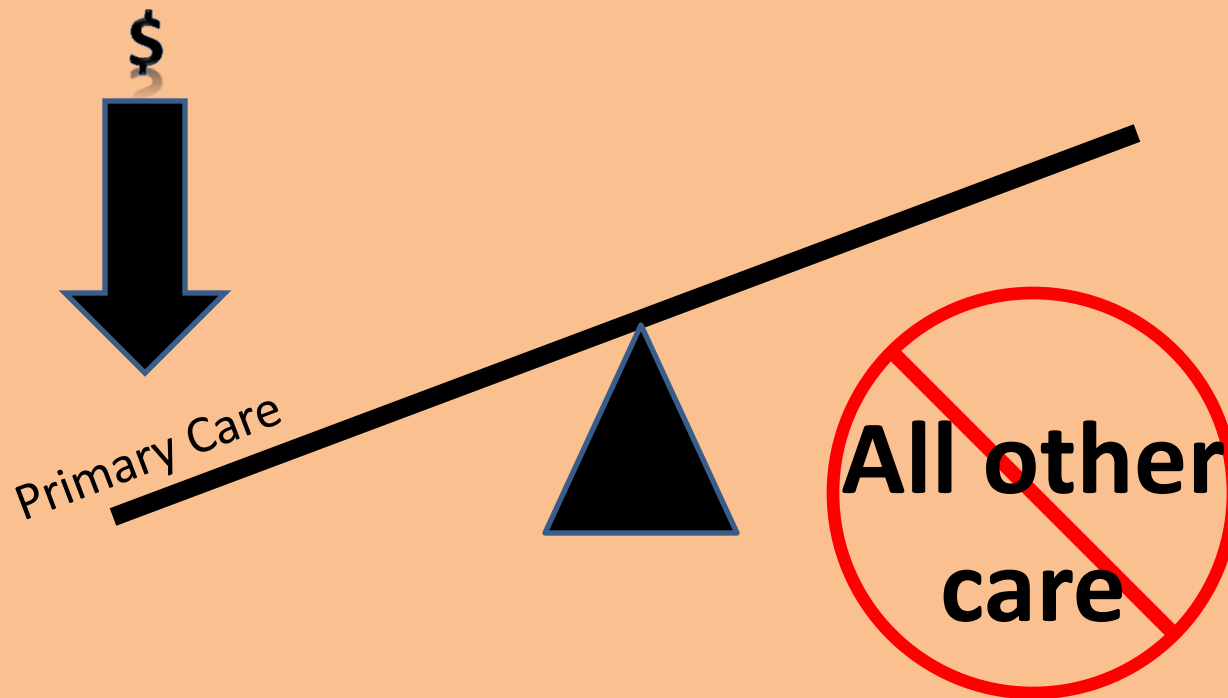
Why is health insurance so expensive?

- It's not insurance, it's health maintenance
- Traditional insurance is for catastrophic care, not first dollar coverage
 - What would homeowners' insurance cost?
 - Light bulb replacement
 - Landscape maintenance
 - Housekeeping
 - Routine repairs
 - Third party coverage drives up costs
 - "I'm paying for it, I'm going to use it."
 - Administrative costs

Balancing the cost of care



Remove the cost drivers



Direct Primary Care

- Most patients can be cared for at the primary care level
- How does it work?
 - Separates routine from catastrophic care
 - Monthly membership fee for primary care
 - Clearly defined package of services
 - Fixes the cost of routine care
 - Catastrophic insurance becomes a true safety net again
 - Not fee for service
 - Total price transparency
 - Network of discount providers

What Does It Cost?

Member(s)	Monthly Fees
Individual	\$50
with Spouse / Domestic partner	\$100
Family of 4	\$135

What's Included?

MEMBER BENEFITS		
	Typical Fee	You Pay
Annual wellness exam	(\$200)	\$0
25 additional Dr. visits	(\$2500)	\$0
Annual Pap test	(\$150)	\$0
Annual PSA test	(\$150)	\$0
Annual Mammo	(\$200)	\$0
Colon Cancer Screen	(\$25)	\$0
Annual Labs	(\$500)	\$0
Electrocardiogram	(\$50)	\$0
Annual flu vaccine	(\$30)	\$0
COPAYMENTS	(???)	\$0
Typical cost of services	\$3,655	\$0

YOUR SAVINGS

\$3,655!

Examples of in-office savings

Service	Typical Charge	Actual Cost in DPC
Additional labs	\$50-350 each	\$10 each
Joint injection (knee)	\$150	\$0
Skin biopsy	\$160	\$0
Drain abscess	\$275	\$0
Laceration repair	\$260	\$0

Examples of network savings

Service	Typical Charge	Actual Cost in DPC	Savings
Nuclear Stress Test	\$1,470	\$520	65%
CT of the chest w/contrast	\$940	\$211	78%
Carotid ultrasound	\$425	\$120	72%
Colonoscopy	\$4,028	\$1,127	71%
Chest x-ray	\$220	\$22	90%

Example of Itemized Hospital Bill

E OF VICE	BATCH REF	F DEPT S	PROC	NDC/CPT-4/ HCPCS	QTY	SERVICE DESCRIPTION	CHARGES	
<u>300-LABORATORY</u>								
511	15B201	0736	686912	36415	1	VENIPUNCTURE	38.14	
							SUBTOTAL:	38.14
<u>301-LAB/CHEMISTRY</u>								
511	15B201	0736	679184	83880	1	NATRIURETIC PEPTIDE	149.44	
511	15B201	0736	684162	80053	1	COMP METABOLIC PANEL	739.61	
511	15B201	0736	684452	80061	1	LIPID PANEL	527.63	
511	15B201	0736	684457	83735	1	MAGNESIUM BLD	323.29	
511	15B201	0736	684574	84100	1	PHOSPHORUS BLD	51.85	
511	15B201	0736	684439	83615	1	LDH (LD)	279.06	
511	15B201	0736	684170	82550	1	CREAT KINASE (CK) TOTA	565.75	
511	15B201	0736	684150	82553	1	CK MB	452.90	
511	15B201	0736	684764	84484	1	TROPONIN QUANT	434.61	
							SUBTOTAL:	3524.14
<u>305-LAB/HEMATOLOGY</u>								
511	15B201	0736	684130	85025	1	CBC PLATELET AUTO DIFF	789.92	
511	15B201	0736	684611	85610	1	PROTIME	390.67	
511	15B201	0736	684616	85730	1	PTT	602.36	
							SUBTOTAL:	1782.95
<u>307-LAB/UROLOGY</u>								
511	15B201	0736	684772	81003	1	UA W O MICRO AUTO	231.79	
							SUBTOTAL:	231.79
<u>324-DX X-RAY/CHEST</u>								
511	15B204	0728	680263	71010	1	XR CHEST 1 V	490.94	
							SUBTOTAL:	490.94
<u>352-CT SCAN/BODY</u>								
511	15B204	0726	704848	74176	1	CT ABD&PELVIS W/O CONT	10955.13	
							SUBTOTAL:	10955.13
<u>450-EMERG ROOM</u>								
511	17B363	0780	675003	9928425	1	EMER DEPT LEVEL 4	2700.18	
							SUBTOTAL:	2700.18

Hospital Charges vs. DPC Charges

Hospital Charges

Service	Charge
Lab charges	\$38.14
Chemistry	\$3524.14
Hematology	\$1,782.95
Urology	\$231.79
Chest x-ray	\$490.94
CT scan	\$10,955.13
ER Level 4	\$2,700.18
TOTAL:	\$19,723.27

Epiphany Charges

Charge
\$8.00
\$70.79
\$15.00
\$4.50
\$18.00
\$185
\$0
\$278.79

Savings with Epiphany DPC

Family of 4 = \$ 135 per month

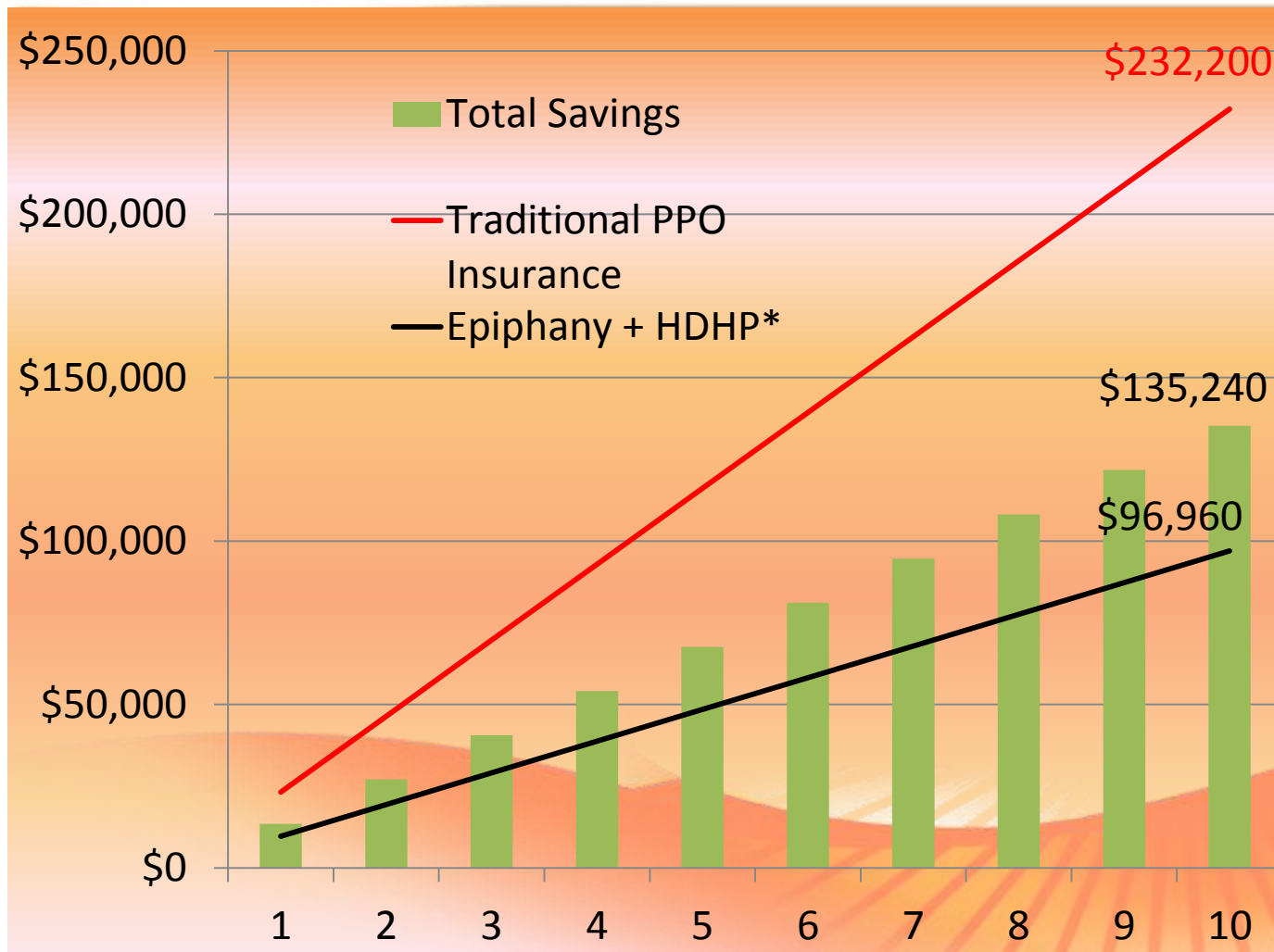
2014 Average PPO Insurance*

Family of 4 = \$1,935 per month

Difference per year: **\$21,600**

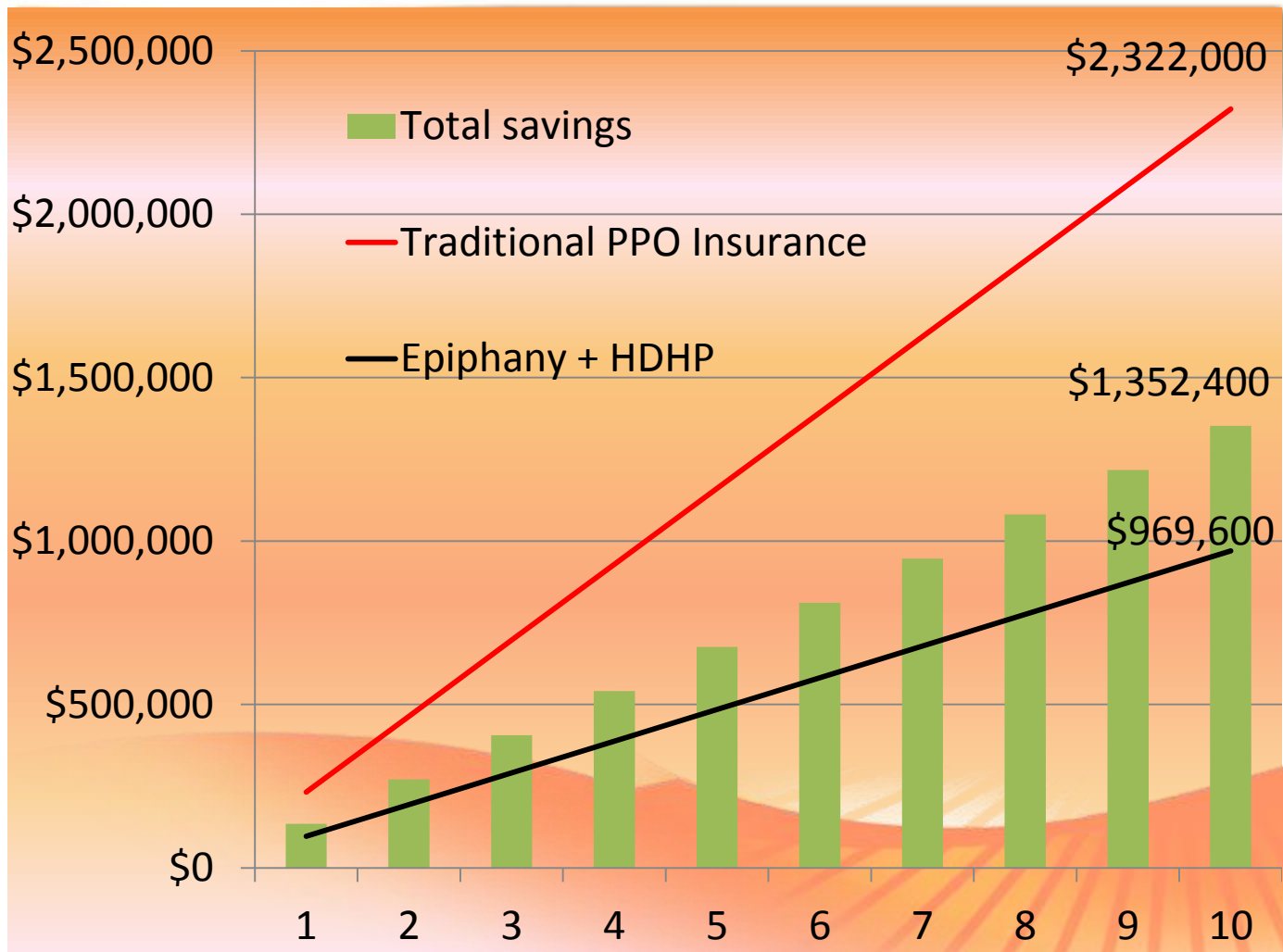
*2014 Milliman Medical Index

10 year projection – Family of 4



*2015 Aetna Bronze Deductible Only HSA Eligible Savings Plus HMO PD (\$12.6 K deductible, \$673/mos)

10 year projection – Employer of 10



Assumes middle aged employees with families of 4

Saving a profession

- Expenses of guaranteed services are covered with first month's dues
- Net revenue realized with dues over remaining 11 months
- Reduced overhead optimizes net revenue
- DPC model, like Epiphany, can be added to an existing practice
- Potential positive national impacts

What Can Florida Do?

- Pass DPC protective legislation
 - 2016 HB 37, SB 132
- Allow DPC membership as a benefit for public employees
- Create DPC Medicaid pilot program
- Expand availability of stop-loss coverage for self-funded health plans
- Support passage of 2015 US SB 1989, Cassidy

Questions?

