

Direct Primary Care Q&A For Employers

Featuring Healthgram's Chief Medical Officer, Dr. Hayes Woollen

Direct Primary Care is the practice of delivering high-quality, physician-led care to employees independent of employer-sponsored insurance. Compared to traditional primary care, employers find direct primary care aligns best with top benefits strategies like promoting employee health and lowering health plan costs.

In this exclusive Q&A, Dr. Hayes Woollen shares his expertise on direct primary care and how organizations and their employees can benefit from embracing this model.



Q1: From your perspective, what current challenges are employers experiencing when it comes to employee healthcare?

Skyrocketing healthcare costs: Healthcare costs continue to rise at levels that are essentially unsustainable for most companies. The U.S. spent more than \$4 Trillion on healthcare in 2020 and those costs continue to climb at a rate of 6%, annually.

Chronic condition management and prevention: Managing chronic disease problems such as diabetes, heart disease and high blood pressure for many of their employees is inefficient and costly. When left untreated, these diseases can lead to kidney damage, stroke and even death. Finding high-quality primary care doctors that have the time and resources to care for these employees is difficult.

Finding the right care is a challenge: Employees simply have a hard time accessing the current healthcare system and find it challenging to get the care they need, whether it is due to cost, access, time away, etc.

Q2: What are three ways direct primary care (DPC) can offer a solution to the challenges employers are facing?

- 1). The DPC model is cost-effective. It complements existing group health insurance plans by giving employers a way to pay directly for primary care without middleman waste. By providing employees direct access to primary care, preventive wellness, and chronic disease management, employers can achieve up to a 20% reduction in total healthcare costs.
- 2). DPC physicians are able to spend the time they need with their patients to provide a broad scope of care, focusing on preventive wellness and comprehensive care. They have the time and resources they need to be able to manage patients with chronic disease and can often keep them from having to go to the emergency room.
- 3). The overall healthcare experience is improved through the DPC model. Patients don't have to spend their time in the waiting room. They can be seen the same day or the next day. They have access to their provider team 24/7, and they have a trusted medical provider who can help them coordinate care with other physicians and specialists, when needed.

Q3: What's something employers often misunderstand about direct primary care?

Many employers think that direct primary care is like concierge medicine, where you pay both a membership fee and have to use insurance. Although both concierge care and direct primary care have similarities, in true direct primary care the membership fee covers all services; no insurance is required for visits and the monthly membership fee is typically much less than concierge medicine.

It's very important to know that not all DPC models are the same. Quality of care, scope of practice and pricing structures are components that can vary from one DPC practice to the next. The key is to find the right Medical Doctor that focuses on the patient relationship and care needed for each individual employee. The success of the DPC clinic and the impact it has on your employees will all start with finding the right doctor for your company.

Q4: How does DPC coexist with an employer's health insurance plan?

The DPC model was created to supplement an employer's health insurance plan, not replace, or interfere with their existing coverage. Employers keep their insurance but pay a monthly membership fee for employees to access unlimited care with a dedicated primary care physician. This increase in personalization and access allows DPC physicians to develop a meaningful and more impactful relationship with each patient, which ultimately leads to healthier employees and lower healthcare spend.

Q5: What's one of the most impactful success stories you know of that an organization has experienced with DPC?

A growing manufacturer implemented a DPC clinic that helped them drive 46% lower PEPPY healthcare costs vs. the national average.

During the first four years the direct primary care clinic was accessible to employees, the company achieved:

- 42% reduction in primary care claims
- 30% reduction in specialist care claims
- 50%+ DPC clinic utilization by eligible employees
- 46% lower healthcare costs PEPPY vs. the national average

Q6: You've worked with many physicians throughout your career. What characteristics should an organization look for when considering a direct primary care physician for their employees?

When considering a DPC physician, organizations should seek the highest quality clinicians who will:

- Provide the time and resources needed to ensure employees receive the best overall care
- Align with the company's culture and healthcare strategy
- Have a vested interest in helping employees achieve positive health outcomes

Q7: How can DPC make an impact on employers' healthcare costs over time?

Employers should recognize that primary care is the lowest costing healthcare with the greatest impact on future costs and employee health. The DPC model is truly a reinvestment of company healthcare dollars into more efficient primary care. We've seen many employers who are frustrated with the lack of results from wellness programs migrate towards DPC for the immediate financial and health impact.

With DPC, we focus on the prevention of disease through advanced primary care as well as comprehensive care management of patients with chronic diseases. If a specialist referral is needed, we make sure our patients utilize the highest quality specialty care at fair priced facilities. The impact: we've seen employers reduce their specialists and ER claims by up to 30% and experience overall per employee per year healthcare costs near 50% below the Mercer national average.

Q8: If an organization has multiple locations, how would you recommend it offer DPC to employees?

At Healthgram, we have several solutions for organizations with multiple locations. We have strategic partnerships with other high-quality DPC physicians across the southeast and we offer virtual health solutions that can support remote employees. We also offer on-site clinics and nurses for companies that wish to bring those resources to their own facility.

Q9: How would you recommend employers measure the success of a direct primary care model?

The value of DPC extends beyond the value of an enhanced doctor-patient relationship. In addition to higher quality care, and healthier employees, there's also a positive financial impact for the employer. When primary care physicians have the time and the resources they need to practice the medicine they were trained for, they are able to handle 60-80% of employee healthcare needs. Studies have shown that patients who have access to a DPC physician experience:

- Fewer ER visits
- Fewer specialty referrals and unnecessary surgeries
- Fewer hospitalizations
- Increased compliance with preventative screenings

All of these metrics, in addition to direct healthcare insurance cost savings and case studies, can be used to measure the success of a DPC program.

Q10: What's one piece of advice you'd give employers who are on the fence about offering DPC?

Because direct primary care provides a better and more convenient experience, healthcare can become a recruitment and retention tool. Employees who make use of their clinic spend less time away from work, are in more control of their health and are ultimately more productive. Overall, it's one of the most impactful healthcare benefit and wellness investments that a company can make.

Direct Primary Care Q&A For Employers

Featuring Healthgram's Chief Medical Officer, Dr. Hayes Woollen



Direct Primary Care is the practice of delivering high-quality, physician-led care to employees independent of employer-sponsored insurance. Compared to traditional primary care, employers find direct primary care aligns best with top benefits strategies like promoting employee health and lowering health plan costs.

In this exclusive Q&A, Dr. Hayes Woollen shares his expertise on direct primary care and how organizations and their employees can benefit from embracing this model.

Q1: From your perspective, what current challenges are employers experiencing when it comes to employee healthcare?

Skyrocketing healthcare costs: Healthcare costs continue to rise at levels that are essentially unsustainable for most companies. The U.S. spent more than \$4 Trillion on healthcare in 2020 and those costs continue to climb at a rate of 6%, annually.

Chronic condition management and prevention: Managing chronic disease problems such as diabetes, heart disease and high blood pressure for many of their employees is inefficient and costly. When left untreated, these diseases can lead to kidney damage, stroke and even death. Finding high-quality primary care doctors that have the time and resources to care for these employees is difficult.

Finding the right care is a challenge: Employees simply have a hard time accessing the current healthcare system and find it challenging to get the care they need, whether it is due to cost, access, time away, etc.

Q2: What are three ways direct primary care (DPC) can offer a solution to the challenges employers are facing?

1. The DPC model is cost-effective. It complements existing group health insurance plans by giving employers a way to pay directly for primary care without middleman waste. By providing employees direct access to primary care, preventive wellness, and chronic disease management, employers can achieve up to a 20% reduction in total healthcare costs.

2. DPC physicians are able to spend the time they need with their patients to provide a broad scope of care, focusing on preventive wellness and comprehensive care. They have the time and resources they need to be able to manage patients with chronic disease and can often keep them from having to go to the emergency room.

3. The overall healthcare experience is improved through the DPC model. Patients don't have to spend their time in the waiting room. They can be seen the same day or the next day. They have access to their provider team 24/7, and they have a trusted medical provider who can help them coordinate care with other physicians and specialists, when needed.

Q3: What's something employers often misunderstand about direct primary care?

Many employers think that direct primary care is like concierge medicine, where you pay both a membership fee and have to use insurance. Although both concierge care and direct primary care have similarities, in true direct primary care the membership fee covers all services; no insurance is required for visits and the monthly membership fee is typically much less than concierge medicine.

It's very important to know that not all DPC models are the same. Quality of care, scope of practice and pricing structures are components that can vary from one DPC practice to the next. The key is to find the right Medical Doctor that focuses on the patient relationship and care needed for each individual employee. The success of the DPC clinic and the impact it has on your employees will all start with finding the right doctor for your company.

Q4: How does DPC coexist with an employer's health insurance plan?

The DPC model was created to supplement an employer's health insurance plan, not replace, or interfere with their existing coverage. Employers keep their insurance but pay a monthly membership fee for employees to access unlimited care with a dedicated primary care physician. This increase in personalization and access allows DPC physicians to develop a meaningful and more impactful relationship with each patient, which ultimately leads to healthier employees and lower healthcare spend.

Q5: What's one of the most impactful success stories you know of that an organization has experienced with DPC?

A growing manufacturer implemented a DPC clinic that helped them drive 46% lower PEPY healthcare costs vs. the national average.

During the first four years the direct primary care clinic was accessible to employees, the company achieved:

- 42% reduction in primary care claims
- 30% reduction in specialist care claims
- 50%+ DPC clinic utilization by eligible employees
- 46% lower healthcare costs PEPY vs. the national average

Q6: You've worked with many physicians throughout your career. What characteristics should an organization look for when considering a direct primary care physician for their employees?

When considering a DPC physician, organizations should seek the highest quality clinicians who will:

- Provide the time and resources needed to ensure employees receive the best overall care
- Align with the company's culture and healthcare strategy
- Have a vested interest in helping employees achieve positive health outcomes

Q7: How can DPC make an impact on employers' healthcare costs over time?

Employers should recognize that primary care is the lowest costing healthcare with the greatest impact on future costs and employee health. The DPC model is truly a reinvestment of company healthcare dollars into more efficient primary care. We've seen many employers who are frustrated with the lack of results from wellness programs migrate towards DPC for the immediate financial and health impact.

With DPC, we focus on the prevention of disease through advanced primary care as well as comprehensive care management of patients with chronic diseases. If a specialist referral is needed, we make sure our patients utilize the highest quality specialty care at fair priced facilities. The impact: we've seen employers reduce their specialists and ER claims by up to 30% and experience overall per employee per year healthcare costs near 50% below the Mercer national average.

Q8: If an organization has multiple locations, how would you recommend it offer DPC to employees?

At Healthgram, we have several solutions for organizations with multiple locations. We have strategic partnerships with other high-quality DPC physicians across the southeast and we offer virtual health solutions that can support remote employees. We also offer on-site clinics and nurses for companies that wish to bring those resources to their own facility.

Q9: How would you recommend employers measure the success of a direct primary care model?

The value of DPC extends beyond the value of an enhanced doctor-patient relationship. In addition to higher quality care, and healthier employees, there's also a positive financial impact for the employer. When primary care physicians have the time and the resources they need to practice the medicine they were trained for, they are able to handle 60-80% of employee healthcare needs. Studies have shown that patients who have access to a DPC physician experience:

- Fewer ER visits
- Fewer specialty referrals and unnecessary surgeries
- Fewer hospitalizations
- Increased compliance with preventative screenings

All of these metrics, in addition to direct healthcare insurance cost savings and case studies, can be used to measure the success of a DPC program.

Q10: What's one piece of advice you'd give employers who are on the fence about offering DPC?

Because direct primary care provides a better and more convenient experience, healthcare can become a recruitment and retention tool. Employees who make use of their clinic spend less time away from work, are in more control of their health and are ultimately more productive. Overall, it's one of the most impactful healthcare benefit and wellness investments that a company can make.