

ANNUAL ADMINISTRATIVE FEE FREQUENTLY ASKED QUESTIONS

1. Why did you implement the Annual Administrative Fee?

Insurance and Medicare reimbursements have not been significantly adjusted for well over a decade. During that same decade, the office overhead of typical primary care physicians has risen over 100%, in part due to increasing administrative demands, expectations of expanded services, and technology costs.

The Annual Fee will allow us to cover the costs of the increasing number of work hours we have to spend that relate to non-covered services (*i.e.*, services not covered by any federal, state or private health insurance coverage). These include, among other things, technology platform costs, communications unrelated to direct provision of patient care, writing letters, appeals, expanded counseling, tools to acquire and send medical records, and similar services. The Annual Fee will help us handle these administrative tasks and resources, so that we can spend more time with and focus more on what is most important: providing you with a highly personalized, non-rushed and convenient medical care, in a relaxed, pleasant, and safe environment. And not just today, but for many years to come.

2. Are there no other ways for the practice to cover the costs of the increasing administrative burden?

We have explored other options that, upon deeper investigation, proved to be unworkable. Those include the sale of the practice to a hospital system, or to increase our patient visits per day, which would decrease the amount of time we spend with our patients and the quality of care. If we were to join a hospital system, the visits would get shorter and the type of services we provide as well as staffing would not be under our control. Neither of these options reflect who we are fundamentally and the care we strive to provide to our patients.

Our goal is to preserve our small medical practice structure and culture, maintain independence, and keep our daily visits at a manageable level with a broader array of services than insurance alone allows for. This will enable us to protect and defend what has been important to us since we opened, which is to be able to appropriately address all health and lifestyle concerns of our patient community.

3. Is the practice still in network with my insurance?

Yes, our plan is to remain in-network with all insurances that we have been in-network with during 2023. The Annual Fee pays for services that are not covered by your insurance.

4. Will I have to still pay co-pays with my visits?

Yes. There is no change in our current policy regarding co-payments, deductibles, and co-insurance. Please note that these fees are dictated by your insurance policy and may differ from policy to policy significantly. It's important to familiarize yourself with your insurance

policy's requirements before your first appointment, so that you are aware of any financial obligation ahead of time.

5. What benefits do I get by going to a practice that charges an administrative fee?

Practices with an administrative fee often offer a higher level of care as providers are able to deliver an expanded array of non-covered services and are less distracted by administrative tasks. You will also likely experience a less crowded office and a more relaxed and pleasant office environment, compared to other practices.

Additionally, while most medical practices charge individual fees for non-reimbursable services (copying medical records, form completion, letter preparation, etc.), having one single Annual Fee covering all these services provides some financial predictability and security to patients.

6. What patient experience does your practice offer that other practices might not?

Some of the aspects of the patient experience our practice offers are:

- Same-day or next-business-day urgent evaluation to help you avoid costly Urgent Care and ER visits
- Fast and improved patient-provider communication via the online Patient Portal and Healow app
- Convenient virtual visits (televisits)
- Consultation time with family members and loved ones
- Providing you with forms or letters you need without additional charge
- Sending medical records to your facilities of choice without additional charge to you
- Convenient and fast online check-ins for your appointments using the Healow app
- Online access to your laboratory results with provider commentary to interpret your results
- Online access to your medical records
- Online access to your medical bills with an easy and fast online payment function
- Re-submission of visit bills to your insurance in case payment for a service has been denied, to minimize your out-of-pocket cost, wherever appropriate
- Same day or next business day nurse visits for injections and vaccinations
- Direct phone access to an on-call provider 24/7 for medical emergencies, without the need of having to talk to a call center
- One stop shop setup with in-office blood draw, EKG, echocardiogram and ultrasound imaging services, whole body composition scans and fibroscans (PPO and Medicare only). Additionally, we offer expedited pre-authorization submission to maximize insurance coverage for imaging tests.

7. Are you considered a concierge practice?

While the definition of "concierge medicine" tends to be somewhat vague, it usually describes practices that are not contracted with insurance companies or Medicare, and therefore require direct payment for their services from the patient, in form of a payment with each visit, and/or an annual membership fee. Therefore, we do not consider our practice a concierge medicine practice. Our office will continue to operate the way it has, continuing to utilize your insurance for covered services and covering non-covered services with the Annual Fee.

8. I have not seen my provider or required any services from your practice for over a year. If I make a new appointment, will I be charged the Annual Fee retroactively for the previous year since my last visit?

The Annual Fee is due for every calendar year during which you receive services from our practice. Services include visits, but also non-visit related services, like letter completion, form completions, pre-authorizations, refills, etc. We do not charge the Administrative Fee for calendar years during which you did not receive any services from our practice.

If you make a new appointment after such a lapsed calendar year, a new Annual Fee will be applied and pro-rated on the date of your next scheduled visit, as if you were a new patient.

9. The Annual Fee is being implemented January 1st, 2024, but my next scheduled appointment is not until later in 2024. Can I start paying the Administrative Fee then?

Established patients who wish to remain with our practice may pay the Annual Fee at their first scheduled appointment of the year. However, the Annual Fee effective date is January 1st 2024, and it will not be pro-rated.

10. I have a partner, but we do not live together. Are we eligible for the partner discount?

The partner discount applies to couples living in the same household. Proof of residence may be required.

11. Do same-household partners need to pay the discounted Annual Fee together at the same time?

No, each individual can pay their portion of the discounted rate (\$450 per person) on the date of their next visit.

12. What payment methods are you accepting?

We accept credit cards, checks and cash.

13. Do I have to pay the Annual Fee?

Yes, all of our regular patients are required to pay the Annual Fee, which will be part of our standard office policy starting January 1st 2024.

If you are enrolled with Scan, WallCare, Easy Choice, AARP-Secure Horizons, or Alignment Health Plan through Regal or Lakeside, please contact our office manager.

14. What if I decide to not pay the Annual Fee?

If you find it challenging to afford or choose not to pay the Annual Fee:

To ensure uninterrupted care, our team will continue providing all services until a grace period extending to February 1st, 2024. During this period, we'll refill your necessary prescriptions and see you for visits even if the administrative fee has not been paid, allowing you time to seek alternative care. Referrals to other primary care providers will also be provided. Should you decide to transfer your care elsewhere, upon request, we will send your medical records to your new provider, free of charge.

If your inability to pay the Annual Fee is due to financial hardship, we encourage you to reach out to us at drvannualfee@suite401medical.com. We will carefully review your case and explore options to offer a discount based on your unique circumstances.

15. Do I have to pay the Annual Fee if I only see my provider once a year for my annual preventative physical exam?

No, unless you want to establish ongoing primary care with our practice, meaning you want us to manage your acute and chronic medical conditions, prescribe medications, and be available for you for visits and consultations.