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## OVERVIEW

A concierge, boutique, or retainer practice is to offer a comprehensive preventive care and personalized service to its patients. Physicians that offer this type of practice model, charge an access fee to patients for these enhanced services. This is an administrative policy to document that in addition to the retainer fees being not covered, providers that offer this model practice are excluded from our network of participating providers.

## MEDICAL CRITERIA

Not applicable

## PRIOR AUTHORIZATION

Not applicable

## POLICY STATEMENT

### BlueCHiP for Medicare and Commercial Products

Retainer/access fees are not covered. Participating physicians are not permitted to charge members any type of access fee and must afford patients appropriate access to covered healthcare services.

If a participating physician elects to implement the concierge model in his/her office, he/she will be offered the opportunity to voluntarily terminate participation with BCBSRI with appropriate notice. At no time prior to, or during the termination process may the physician bill a patient directly for anything other than applicable copayments, coinsurances, deductibles or non-covered services, in accordance with the participating physician agreement.

If the physician refuses to terminate his/her participation voluntarily, he/she will be involuntarily terminated and all applicable regulatory reporting steps for an adverse action will be followed.

Charging Medicare beneficiaries (including Medicare Advantage members) a retainer is a violation of Medicare statutes and regulation, unless the physician has opted out of the Medicare program and contracted with the beneficiary on a private basis. Services by physicians who have opted out of Medicare are not covered for BlueCHiP for Medicare members.

## COVERAGE

Benefits may vary between groups and contracts. Please refer to the appropriate Benefit Booklet, Evidence of Coverage, or Subscriber Agreement for applicable non-covered services section.

## BACKGROUND

A concierge, boutique, or retainer practice is one that claims to offer comprehensive preventive care and personalized service to its patients. Physicians that offer this type of practice model, charge an access fee to patients for these enhanced services. The access fees typically start at \$1,500/year and may be as high as \$10,000/year. This access fee is usually stated to provide patients with “additional services” such as 24/7 direct access to the physician, enhanced coordination of referrals, extensive clinical work-ups, and personalized wellness plans. Essentially the patient is paying to become a “preferred patient.” Physicians in

concierge practice models typically reduce their patient panels significantly to provide more comprehensive care to fewer patients. In return, the physician gains income through the access fee.

These arrangements are counter to Blue Cross & Blue Shield of Rhode Island (BCBSRI) member agreements, which state that participating physicians will seek payment from BCBSRI, not the members (outside of copayments, coinsurance and deductibles). A review of the “enhanced services” generally indicates that they are covered services and that the retainer is an additional fee to obtain those services. Access standards are part of the physician agreement and the retainer represents additional charges to meet current contractual standards. A physician may or may not elect to make the entire practice a retainer practice, however, any deviation of care between patients paying a retainer and those who do not is inconsistent with provider agreement language:

“The Physician/Provider shall provide to members covered health services in accordance with the same professionally recognized standards of care as offered to his/her other patients, in accordance with Blue Cross’ standards for comprehensive, high-quality patient care, and appropriate utilization of inpatient, ambulatory, ancillary, and emergency services, and in accordance with all applicable laws, rules, and regulations of professional ethics.”

As noted in the The American Medical Association (AMA) Code of Medical Ethics Opinion 8.055 - Retainer Practices:

*"Concern for quality of care the patient receives should be the physician's first consideration. However, it is important that a retainer contract not be promoted as a promise for more or better diagnostic and therapeutic services. Physicians must always ensure that medical care is provided only on the basis of scientific evidence, sound medical judgment, relevant professional guidelines, and concern for economic prudence. Physicians who engage in mixed practices, in which some patients have contracted for special services and amenities and others have not, must be particularly diligent to offer the same standard of diagnostic and therapeutic services to both categories of patients. All patients are entitled to courtesy, respect, dignity, responsiveness, and timely attention to their needs."*

Therefore, while concierge physicians may order or perform covered services for which the member may seek payment or coverage, there is risk that the concierge practice will generate greater costs of care and put members at risk for greater than anticipated expenses. An example of the complexity of the issue is understood if one considers a member seeking reimbursement for frequent lengthy visits. The retainer creates entitlement to such services. However, the plan is asked to pay for high level and frequent visits that would not generally be regarded as necessary.

#### **CODING**

Not applicable

#### **RELATED POLICIES**

None

#### **PUBLISHED**

Policy Update, June 2016

Policy Update, July 2006

Provider Update, March 2008

#### **REFERENCES**

1. American Medical Association, Opinion 8.055 - Retainer Practices  
<http://www.ama-assn.org/ama/pub/physician-resources/medical-ethics/code-medical-ethics/opinion8055.page>
2. MLN Matters Number SE0421, OIG Alert About Charging Extra for Covered Services

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/SE0421.pdf>

3. United States Government Accountability Office, Report to Congressional Congress, Physician Services, Concierge Care Characteristics and Considerations for Medicare. <http://www.gao.gov/new.items/d05929.pdf>.

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