

Highlights of [GAO-05-929](#), a report to congressional committees

Why GAO Did This Study

Concierge care is an approach to medical practice in which physicians charge their patients a membership fee in return for enhanced services or amenities. The recent emergence of concierge care has prompted federal concern about how the approach might affect beneficiaries of Medicare, the federal health insurance program for the aged and some disabled individuals. Concerns include the potential that membership fees may constitute additional charges for services that Medicare already pays physicians for and that concierge care may affect Medicare beneficiaries' access to physician services. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 directed GAO to study concierge care and its relationship to Medicare.

Using a variety of methods, including a nationwide literature search and telephone interviews, GAO identified 146 concierge physicians and surveyed concierge physicians in fall 2004. GAO analyzed responses from 112 concierge physicians. GAO also reviewed relevant laws, policies, and available data on access to physician services and interviewed officials at the Department of Health and Human Services (HHS) and representatives of Medicare beneficiary advocacy groups.

www.gao.gov/cgi-bin/getrpt?GAO-05-929.

To view the full product, including the scope and methodology, click on the link above. For more information, contact A. Bruce Steinwald at (202) 512-7119 or steinwald@gao.gov.

PHYSICIAN SERVICES

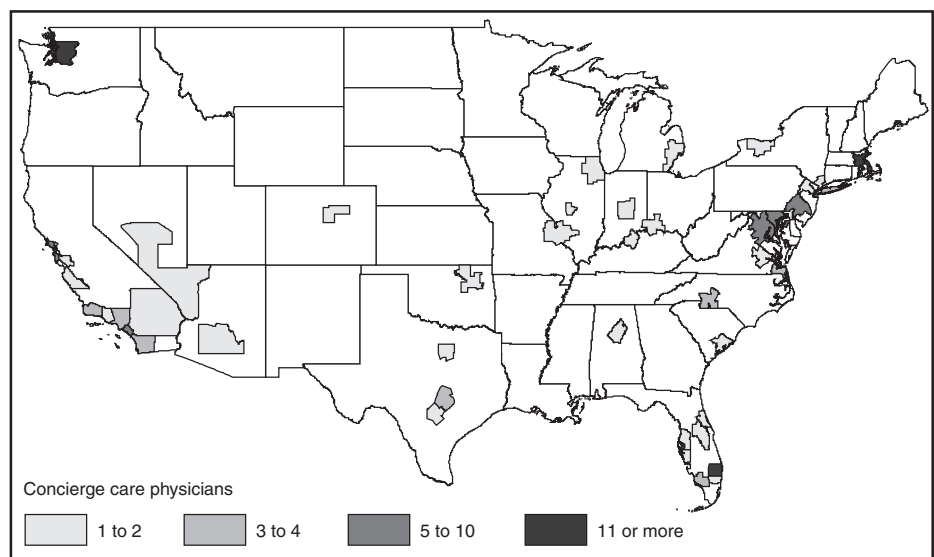
Concierge Care Characteristics and Considerations for Medicare

What GAO Found

Concierge care is practiced by a small number of physicians located mainly on the East and West Coasts. Nearly all of the 112 concierge physicians responding to GAO's survey reported practicing primary care. Annual patient membership fees ranged from \$60 to \$15,000 a year, with about half of respondents reporting fees of \$1,500 to \$1,999. The most often reported features included same- or next-day appointments for nonurgent care, 24-hour telephone access, and periodic preventive care examinations. About three-fourths of respondents reported billing patient health insurance for covered services and, among those, almost all reported billing Medicare for covered services.

Two principal aspects of concierge care are of interest to the Medicare program and its beneficiaries: compliance with Medicare requirements and its effect on beneficiary access to physician services. HHS has determined that concierge care arrangements are allowed as long as they do not violate any Medicare requirements; for example, the membership fee must not result in additional charges for items or services that Medicare already reimburses. Some concierge physicians reported to GAO that they would like more HHS guidance. The small number of concierge physicians makes it unlikely that the approach has contributed to widespread access problems. GAO's review of available information on beneficiaries' overall access to physician services suggests that concierge care does not present a systemic access problem among Medicare beneficiaries at this time. In comments on a draft version of this report, HHS agreed with GAO's finding on concierge care's impact on beneficiary access to physician services and indicated it will continue to follow developments in this area.

Location of Concierge Physicians Identified by GAO



Source: GAO analysis.