

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Thursday, January 15, 2015

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Heider, Vice Chairman Martin, Senators Nuxoll, Hagedorn, Tippetts, Lee and Schmidt

ABSENT/ EXCUSED: Senators Smyser (Lodge) and Lacey

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Heider** called the meeting to order at 3:02 p.m. and welcomed everyone to the first meeting of the Health and Welfare Committee (HWC).

INTRODUCTIONS: **Chairman Heider** introduced the new Senate Page Cameron Floyd, and asked him to tell the HWC about himself. **Cameron Floyd** said he is from Boise and attends Centennial High School. His plans following high school are to serve the mission for his church, obtain his bachelors degree in graphic design, then attend Brigham Young University to get his masters. He enjoys playing sports. He is very thankful to have this opportunity to be a page and gain first hand knowledge about the State government. **Chairman Heider** commented that it is nice to see a young man with goals and welcomed him. **Vice Chairman Martin** commented that he had known Mr. Floyd, his parents, aunt and uncle for many years and he was a very fine young man.

Chairman Heider introduced the HWC Secretary Erin Denker. He excused Senator Lodge due to illness.

PRESENTATION: **Chairman Heider** welcomed and introduced Dr. Samir Qamar who is a direct primary care (DPC) provider, board certified in family medicine and an expert in the fields of DPC, concierge medicine and telemedicine. He is the founder and CEO of MedLion, the nation's largest DPC provider. MedLion managed DPC practices in 22 states.

Dr. Samir Qamar thanked Chairman Heider, the Senators and the audience. He added a special thank you to Senator Thayne for hosting a very nice visit. He explained DPC was new in the field of medicine. He stated the current system of healthcare was failing for two reasons. First, the reliance on a fee-for-service system meant doctors needed to see as many patients as possible per day. Second, insurance was not designed to be used for primary care. **Dr. Qamar** explained his vision for a new model of healthcare based on subscription. He defined insurance as risk management for rare and expensive events. He stated healthcare is the only industry expected to insure both rare and reoccurring events.

Dr. Qamar described DPC as an innovative alternative to conventional health insurance. Preliminary data showed excellent health outcomes for patients enrolled in DPC and a reduction in health care costs. Often, the sum of the membership fees and an augmented insurance plan – called a wraparound plan because it covered care beyond the scope of primary care – was lower than the cost of a comprehensive insurance plan. He continued to discuss several key points in regards to this new concept. (see attachment 1)

DISCUSSION:

Chairman Heider asked what the consensus of doctors was on the demand to decrease the quantity of time they spend on patient visits. **Dr. Qamar** responded many doctors are frustrated, however, the current nature of the business dictates an increased patient load. He stated his company received approximately 10-15 calls per week from doctors in search of an alternative to the traditional medical practice. Doctors are looking for a new way to practice. Employers and patients want affordable, quality solutions.

Senator Hagedorn asked how catastrophic care and when combined with DPC compared with conventional insurance cost. **Dr. Qamar** stated wraparound plans costs were about 25-30% less than traditional insurance and were able to compete on the insurance exchanges.

Vice Chairman Martin asked about how DPC made itself available to the public as well as employers. **Dr. Qamar** stated DPC was originally created to assist low or non-insured individuals. Before the Affordable Care Act was enacted, 55 million people did not have coverage. This was a method to provide affordable coverage. After DPC was included as an option in the Affordable Care Act, employers began to look at DPC as a viable option. Currently, there are pilot programs being done with Medicare and Medicaid. In Colorado and Washington, DPC programs have been setup directly on those state's insurance exchange.

Senator Nuxoll asked if DPC required the same quantity of paperwork as Medicaid. **Dr. Qamar** answered there will always be a need for paperwork in the medical field. He doesn't believe the healthcare field will be completely free of paperwork, but it can be minimized through streamlined practices. He stated the operational model of healthcare will determine the amount of paperwork.

Senator Nuxoll asked if Dr. Qamar would summarize the top concerns of the physicians who attended the prior evening's public meeting. **Dr. Qamar** stated specialists did not understand how primary care had become such a critical facet of medical insurance. He said additional concerns included a greater investment in the foundation of primary care, the upcoming physician shortage and increasing quality of care versus quantity of care.

Senator Hagedorn asked, in Dr. Qamar's opinion, was there a particular demographic that utilized this type of care more than another. Additionally, **Senator Hagedorn** asked what metric was used to measure the success of DPC. **Dr. Qamar** said one particular demographic had not yet stood out. The demand for DPC was spread throughout all demographics.

Dr. Qamar stated the metric for determining DPC's success established by the individual practice's standard of care. His practice's method was based on patient outcome and whether there is a reduction in hospitalizations and extraneous unnecessary referrals. He said the metric was managed through an electronic medical records system making data easy to compile.

Chairman Heider inquired about Dr. Qamar's perception of telemedicine and if it included doctor to doctor communication via web or video conference. **Dr. Qamar** stated he viewed telemedicine as an after hour call to a physician. With newer technology, patients are able to video chat or use an application on their smart phone to communicate with a physician as well as other alternatives. However, none of these options allow a doctor to diagnosis a patient. **Dr. Qamar** stated that he invented a medical device to remotely examine a patient. The vision for telemedicine he is creating allows for patient examinations to occur in any location.

Senator Hagedorn asked how to migrate from traditional, low tech medical practices to nontraditional, electronic based management of the health care system. **Dr. Qamar** stated they have of the tools in place and multiple states as well as Medicare and Medicaid are beginning to manage their healthcare systems in this manner.

Senator Hagedorn wanted to know how the insurance companies' were responding to telemedicine. **Dr. Qamar** stated insurance companies have embraced telemedicine. United Healthcare have a division called "Now Clinic", solely, a telemedicine unit; Blue Cross/Blue Shield and ETNA also have one.

Senator Lee asked if DPC changed the way doctors practiced general medicine. She wanted to know how malpractice fit into the scope of telemedicine. **Dr. Qamar** stated with DPC, doctors practice as they currently do; if they reach their limit of knowledge or expertise, they refer. In the event of a referral, it was preferable to use a wraparound, or catastrophic policy. **Dr. Qamar** said malpractice risk was reduced because of DPC's smaller pool of patients. In response to telemedicine, **Dr. Qamar** stated they have to be smart and triage properly. If the patient needs urgent care, they cannot be seen via video or other forms of telemedicine.

ADJOURNED: There being no further information, **Chairman Heider** adjourned the meeting at 3:52 p.m.

Senator Heider
Chairman

Erin Denker
Committee Secretary

Jenny Smith
Assistant Secretary