

# Medical Coverage Policies

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## Physician Concierge Services

<b>EFFECTIVE DATE</b>	07/01/2006	<b>LAST UPDATED</b>	02/05/2008
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### Description:

A concierge, boutique, or retainer practice is one which 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" like: 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 co-pays, 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 BCBSRI 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."

The American Medical Association (AMA) Code of Medical Ethics notes the following:

"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."

Some promotional materials for concierge practices include reference to preventive services that are without a scientific basis, are generally not recommended by scientific professional organizations, and would be considered excessive. There is cause for concern that the appeal to certain potential customers and an imbalance between customer service and professionalism will result in excess health services utilization. Only medically necessary services are covered. Participating providers are financially liable for covered services found to be not medically necessary. Members who utilize non-participating providers are financially liable for services found to be not medically necessary. 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.

### Medical Criteria:

Not applicable, this is a reimbursement policy.

**Policy:**

Retainer fees are not covered by BCBSRI. Participating physicians are not permitted to charge BCBSRI members any type of access fee and must afford BCBSRI patients appropriate access to covered healthcare services. Services provided by non-participating physicians are only eligible for coverage when the services are medically necessary. Allowances and payment policies that are applied to participating physicians are applied to the member when the member seeks reimbursement for the services of a nonparticipating physician. Charges for phone calls, referrals, prescription management services by a concierge practice and other "enhanced services" are not eligible for separate payment.

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 co-pays, 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.

**Member Coverage:**

Access fees related to concierge services are non-covered. If a member receives services under the "concierge" practice model, only covered services are reimbursed (to the member) in accordance with the member's out-of-network benefit.

The provider must supply an itemized statement to the member. Payment policies that apply to providers apply to the member reimbursement. Only medically necessary services are eligible for payment.

BCBSRI does not determine whether an annual fee for the concierge practice is eligible for reimbursement from health flexible spending accounts (FSA), health reimbursement accounts (HRA), Archer medical savings accounts (MSA), or health savings accounts (HSA). Members should contact their employer's benefit department and/or their account administrator or trustee for information on whether the fee is eligible for reimbursement from their account.

**Coding:**

Not Applicable

**Also Known As:**

Concierge Practice  
Boutique Practice  
Retainer Practice

**Published:**

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This medical policy is made available to you for informational purposes only. It is not a guarantee of payment or a substitute for your medical judgement in the treatment of your patients. Benefits and eligibility are determined by the member's subscriber agreement or member certificate and/or the employer agreement, and those documents will supersede the provisions of this medical policy. For

information on member-specific benefits, call the provider call center . If you provide services to a member which are determined to not be medically necessary (or in some cases medically necessary services which are non-covered benefits), you may not charge the member for the services unless you have informed the member and they have agreed in writing in advance to continue with the treatment at their own expense. Please refer to your participation agreement(s) for the applicable provisions.

This policy is current at the time of publication; however, medical practices, technology, and knowledge are constantly changing. BCBSRI reserves the right to review and revise this policy for any reason and at any time, with or without notice.

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