

March 11, 2015

Dr. Josh Umbehr, Atlas M.D.  
10500 E. Berkeley Square Parkway  
Wichita, Kansas 67206  
(316) 260-6454  
Email: drjosh@atlas.md

To: Chairman Sen. Mary Pilcher-Cook

CC: Vice Chair Sen. Michael O'Donnell

CC: Ranking Minority Member Sen. Laura Kelly

Re: **Testimony Regarding HB 2225; Medical Retainer Agreements**

Dear Madam Chairman and Members of the Committee:

As a physician in training, it was clear to me that insurance was creating more problems than it solved in terms of healthcare. Insurance has always been an economic tool to prevent an unexpected catastrophic loss. For example, we don't pay for auto insurance and expect our policy to pay for gasoline, oil and tires. No, that would be ridiculous. Then why pay for expensive health insurance policies, with deductibles, for common and affordable services provided by a family medicine doctor?

The caveat is that we can make primary care as affordable as oil changes. This can be done if we remove the layers of complexity that burden family physicians. The direct primary care (DPC) model does not contract with insurance but rather functions on a monthly membership that is based on age, not on medical complexity. We charge \$10 per month for kids and \$50 per month for most adults.

For this fee, DPC grants each client 24/7/unlimited access to their private physician, home – work - office technology visits, no copays or deductibles, any procedure that we can do in the office is included free of charge, and we dispense wholesale medications and labs for up to a 95% savings over retail. We can then take this value to an employer and decrease their insurance premiums by 30%-60%, enough so that many times the employees can get a raise.

Here is a short list of free procedures we provide each of our clients: ekg, holter monitor, spirometry, dexta scans, rapid strep throats, urinalysis, cryotherapy, lesion removal, biopsies, joint injections, minor surgical procedures, just to name a few. In addition, we have helped launch over 57 physicians and 45 clinics in the last 14 months. DPC can provide the following medical services to its clients:

- Imaging like X-rays, ultrasound, CT, MRI at 60% to 80% discounts;
- Pathology services 85% savings;
- Helping Kansas employers and employees to be more viable;
- Decreasing ER visits, Urgent Care visits, Specialty referrals, hospitalizations by being available 24/7;
- Benefits lower senior citizens by improving access and decreasing risk of chronic disease and the cost of medications that can be punitive;
- Beneficial to insurance companies because they can lower their premiums, minimize their administrative burden, and manage their risk more efficiently;
- Extended visits and same day appointments for all patients;
- Bipartisan support because it can improve access to care for the most at risk citizens while being fiscally conservative and efficient.

Atlas MD has been featured on NPR, Bloomberg, Fox News, Kiplingers and recently TIME magazine. We have been fortunate enough to speak nationally on the DPC model and will continue to be focal advocates for our patients.

Several states like Washington, Utah, Oregon, West Virginia Arizona, Michigan, Louisiana and Missouri, have passed the Medical Retainer Agreement legislation in order to encourage more doctors to embrace the DPC model for their patients. Currently, 9 other state legislatures have medical retainer bills in the legislative process.

Kansas could be the next leader in the mid-west to carry the torch and pass a law that clarifies that direct primary care is not any form of insurance. Once doctors know that this DPC model has been statutorily defined as “not” being insurance, many will elect to embark on a DPC model of healthcare.

Thank you for your consideration of HB 2225.

Dr. Josh