

Testimony of Dr. Ryan Neuhofer on HB 2599
February 9, 2016

Dear House Health and Human Services Committee,

I am a family physician in Lawrence, KS who has owned a Direct Primary Care (DPC) practice since 2011. I am writing in favor of HB 2599 pertaining to client billing of pathology services. My practice, like most DPC practices, are supported by a fixed monthly membership payment paid directly by patients to cover a wide range of primary medical services; in lieu of third-party fee-for-service payments as is traditional. Being membership supported, we offer a host of ancillary services "at cost" (without mark-up or profit) to members, such as prescription medications and labs -- which results in a 70-90% savings for patients vs. what traditional system charges them. Many of my patients, including many lower income people without health insurance, can save \$100's per month on these ancillary discounts. Unfortunately, current Kansas regulations prohibit me from doing the same service for pathology. The rationale of this law is to protect physicians from drastically up-charging patients this service for profit. I have seen quite the opposite in reality. I have seen many pathology client contracts (directly to practices) at much cheaper prices than what patients pay directly to pathology lab or hospitals. My patients would certainly have more transparency and pay less for pathology services under a DPC arrangement if HB 2599 was passed.

I am happy to answer any further questions on this topic.

Sincerely,
W. Ryan Neuhofer, DO, MPH
NeuCare, Owner