

The Evolving Healthcare Landscape: Challenges, Trends, and the Concierge Medicine Opportunity

Terry Bauer, CEO Emeritus and Director, Specialdocs Consultants

Bio in Brief

- 2016-2024: CEO of Specialdocs Consultants, a pioneer and leader in the concierge medicine industry. The company now has 104 locations in 23 states.
- 2025: Retired as CEO; now CEO Emeritus; and continue serving on the Specialdocs parent company's board of directors.

Previously:

- Long tenure as co-founder, president, CEO, and director of Orion HealthCorp, a national physician services and management organization.
- Principal and strategy practice leader at healthcare consulting firm Stroudwater Associates.

Most notably:

- Launched a group purchasing organization serving more than 3,700 physicians.
- Co-founded a successful physician practice management company for hospital and office-based physicians.
- CEO of a company that was #8 on the INC 500
- 45 years of experience in and a student of the healthcare industry.

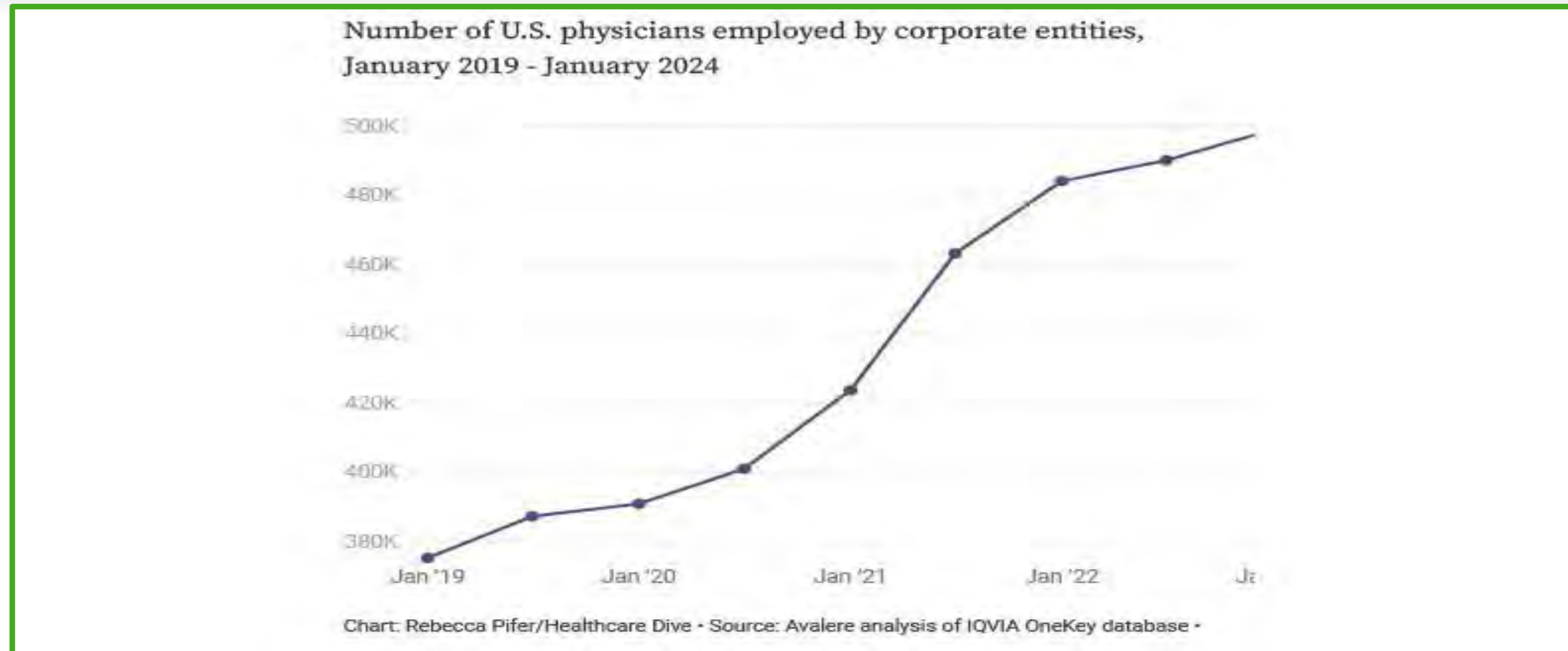
The Values We Share



- At the heart of concierge medicine: irreplaceable value of the patient-physician relationship.
- As SCMA states, that relationship is “crucial to improving health outcomes and ensuring that patients feel supported at every step of their medical journey.”
- We are honored to support your continued advocacy for physician-led care.

2025 Outlook for Physicians: a challenging landscape

Independent physicians now represent just 22% of all practices.



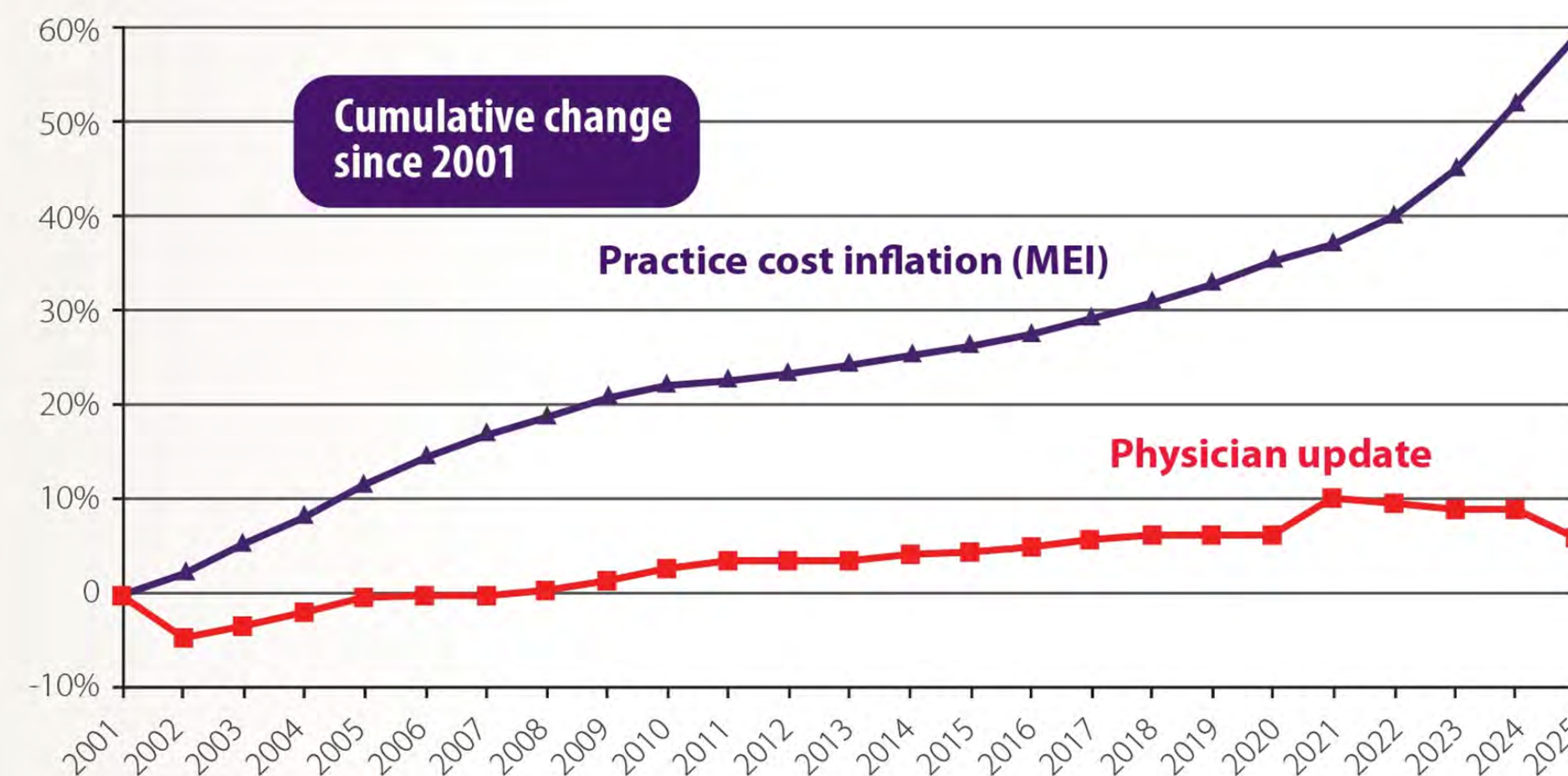
2025 Outlook for Physicians: a challenging landscape

Medicare reimbursement down by 33% since 2001.

Medicare physician payment continues to fall further behind practice cost inflation.

Medicare updates compared to inflation in practice costs (2001–2025)

Adjusted for inflation in practice costs, Medicare physician payment **declined 33%** from 2001 to 2025.



Sources: Federal Register, Medicare Trustees' Reports, Bureau of Labor Statistics, Congressional Budget Office.

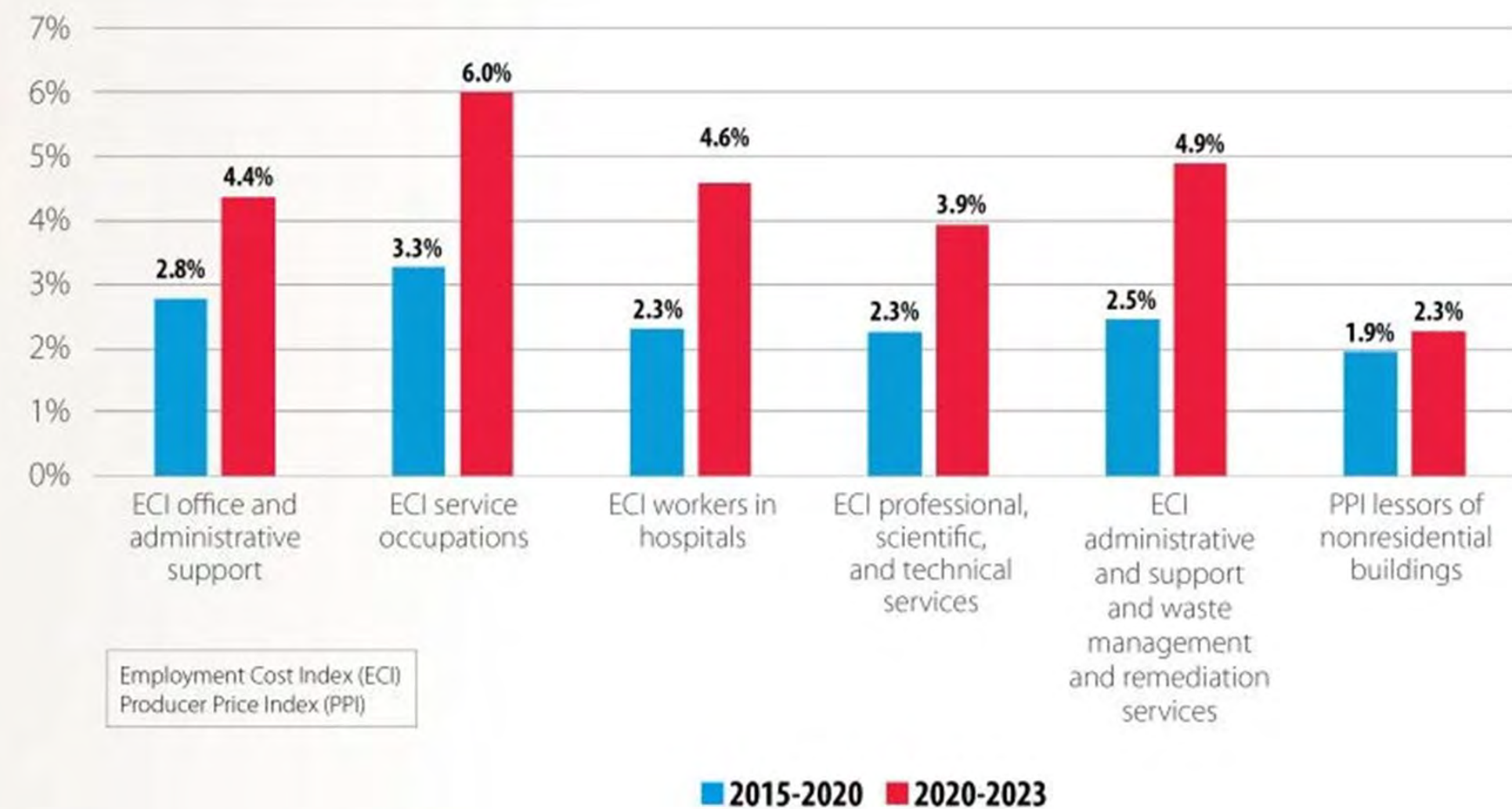
Updated Jan. 2025

2025 Outlook for Physicians: a challenging landscape

Practice operating costs up 59% from 2001 – 2024.

Inflation in key physician practice costs

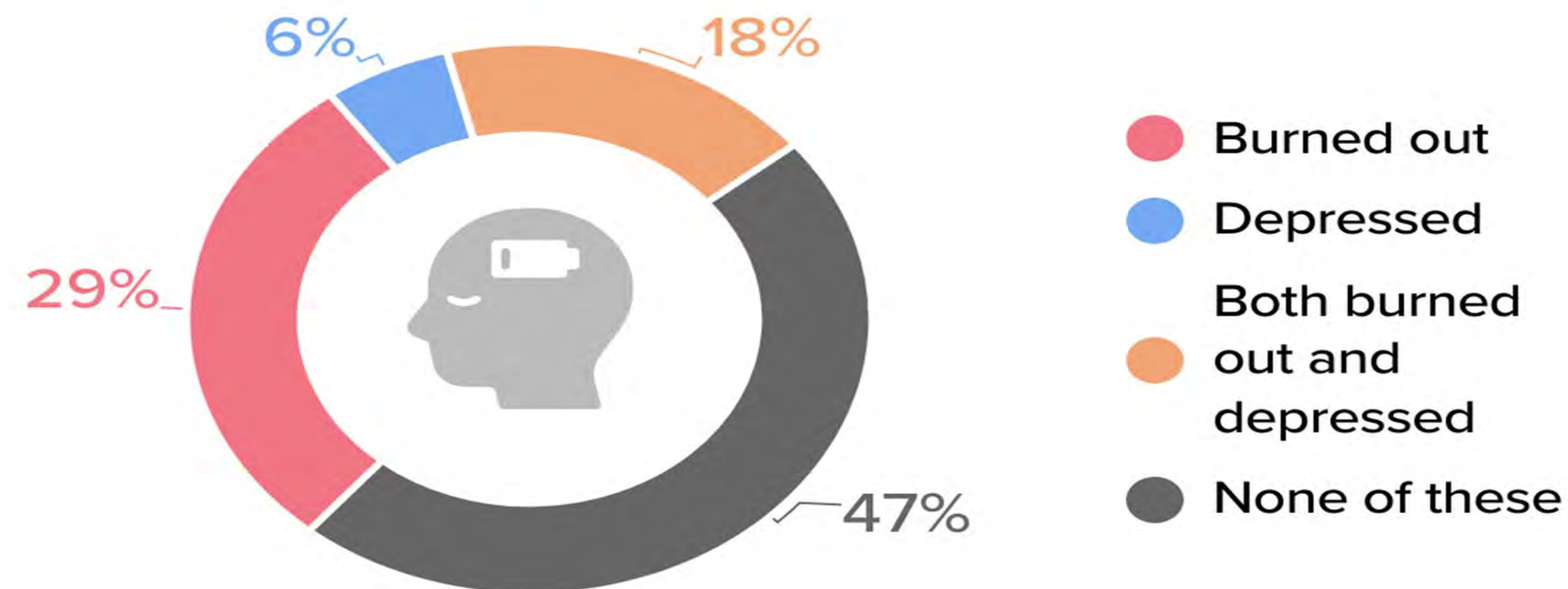
All key measures
of practice expense
in the Medicare
Economic Index
accelerated.



2025 Outlook for Physicians: a challenging landscape

Continuing burnout, moral injury and depression

Roughly Half of Physicians Grapple With Burnout and/or Depression



How to Thrive in 2025

38 MEDICAL ECONOMICS JANUARY/FEBRUARY 2025



CAREERS
By Terry Bauer

2025 offers a remarkable opportunity for concierge physicians to thrive

This year will be challenging for independent and employed physicians. But chaotic times can bring enormous opportunity.

In health care, change is inevitable, but for independent and employed physicians already facing financial headwinds that threaten to topple their medical practices and the uncertain direction of a new administration, 2025 may feel particularly daunting. You don't need a crystal ball to predict challenges, but it may

traditional practice and continual cuts to Medicare reimbursements have contributed to an overall 29% downward slide in Medicare compensation over the last two decades, according to the American Medical Association (AMA). Reform may lie in the fate of multiple bills now in Congress. As I write this, the proposed

relieve the financial burdens felt by physicians and patients. But will it be too little and too late? I believe concierge medicine offers a better solution. In the more than two decades since its inception, this model has protected doctors from the tightening vise of declining reimbursements on one side and perpetually rising

“Concierge medicine is the only model that delivers on all pillars of value and quality in health care by benefiting physicians, patients, payers/employers and the health care system.”

Is Concierge Medicine Right for You?



Why Physicians are Converting

Concierge Medicine, also known as “membership medicine” or “boutique medicine”, is used to describe a medical practice model in which patients pay an annual fee or retainer in exchange for enhanced service. In concierge medicine practices, doctors limit the patient panel size to ensure increased time and availability for each patient.

BEFORE

- Large patient panel sizes
- Time consuming EMRs/EHRs
- Declining reimbursement
- Increasing overhead
- Feeling rushed/ burnout / stress / long hours
- Less family time
- Changing government regulations
- Challenge of remaining independent

AFTER

- More time with each visit
- Less paperwork and EMR time
- Membership fee-driven revenue
- Opportunity to reduce overhead
- Better work– life balance
- Increased practice sustainability
- Practice your vision of medicine

Is Concierge Medicine right for you and your patients?



The Appeal for Patients

A Few of the Many Benefits

- 24 / 7 direct communication
- Same day or next day appointments
- Little or no wait time
- Longer visits
- Focus on prevention
- Having a physician advocate



Greater Impact

Studies Show the Concierge Model Results in:

- Significantly reduced inpatient admissions
- Fewer ER and urgent care clinic visits
- Positive impact on health care expenditures
- Better compliance with treatment plans

Multiple Pathways to Concierge Medicine



The roads to success

- Transition an independent, traditional fee for service practice
- Acquire a successful concierge practice from a retiring physician
- Transition within a group practice to concierge
- Join an already successful concierge practice in your market
- Transition from being a hospital employed physician
- Start a new concierge practice

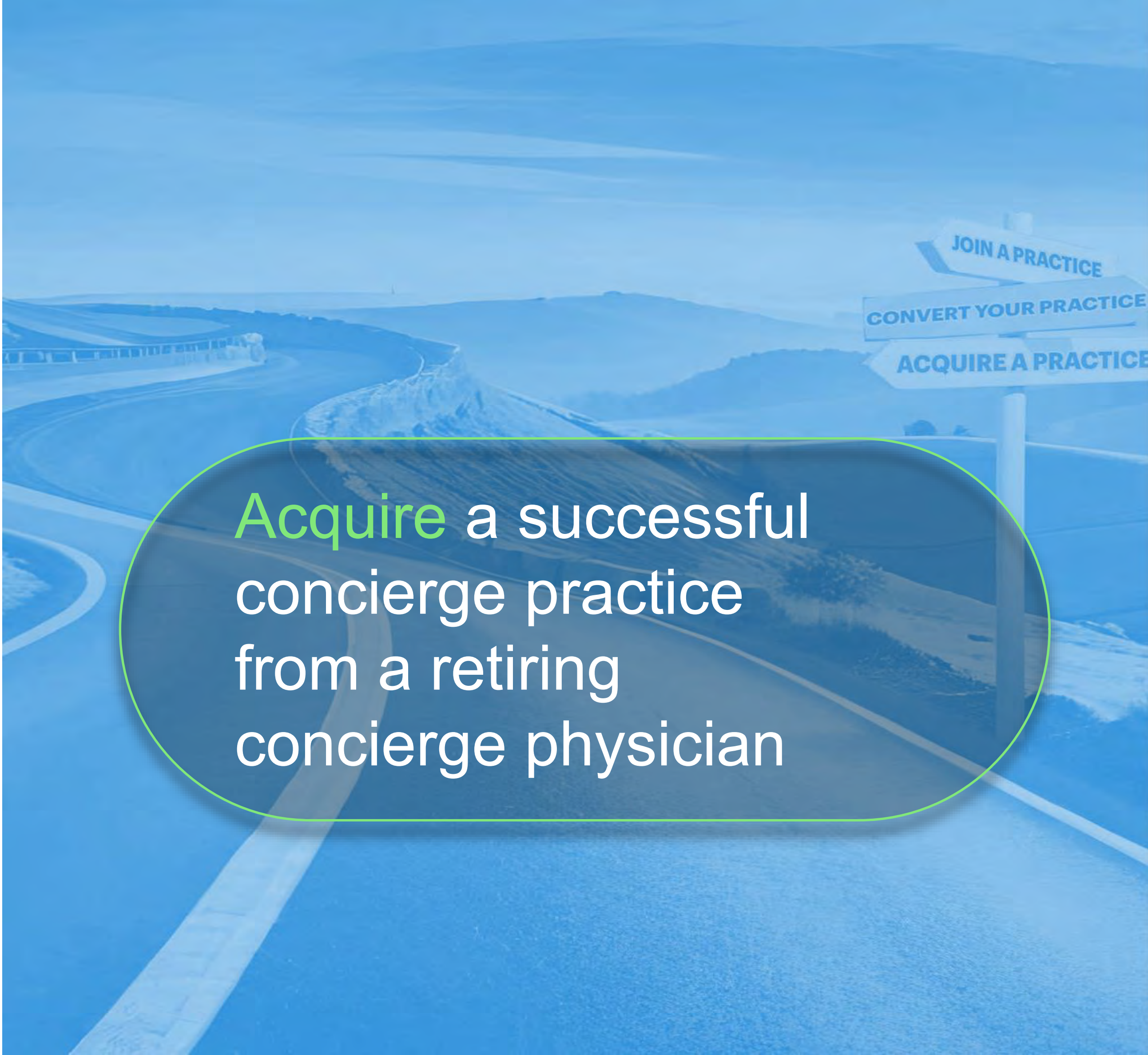
Convert an independent, traditional fee for service practice to **concierge**

JOIN A PRACTICE
CONVERT YOUR PRACTICE
ACQUIRE A PRACTICE



Key Considerations

- Specialty
- Length of time in same location
- Number of patients on your panel
- Patient and market demographics
- Your income history and expectations
- Timing

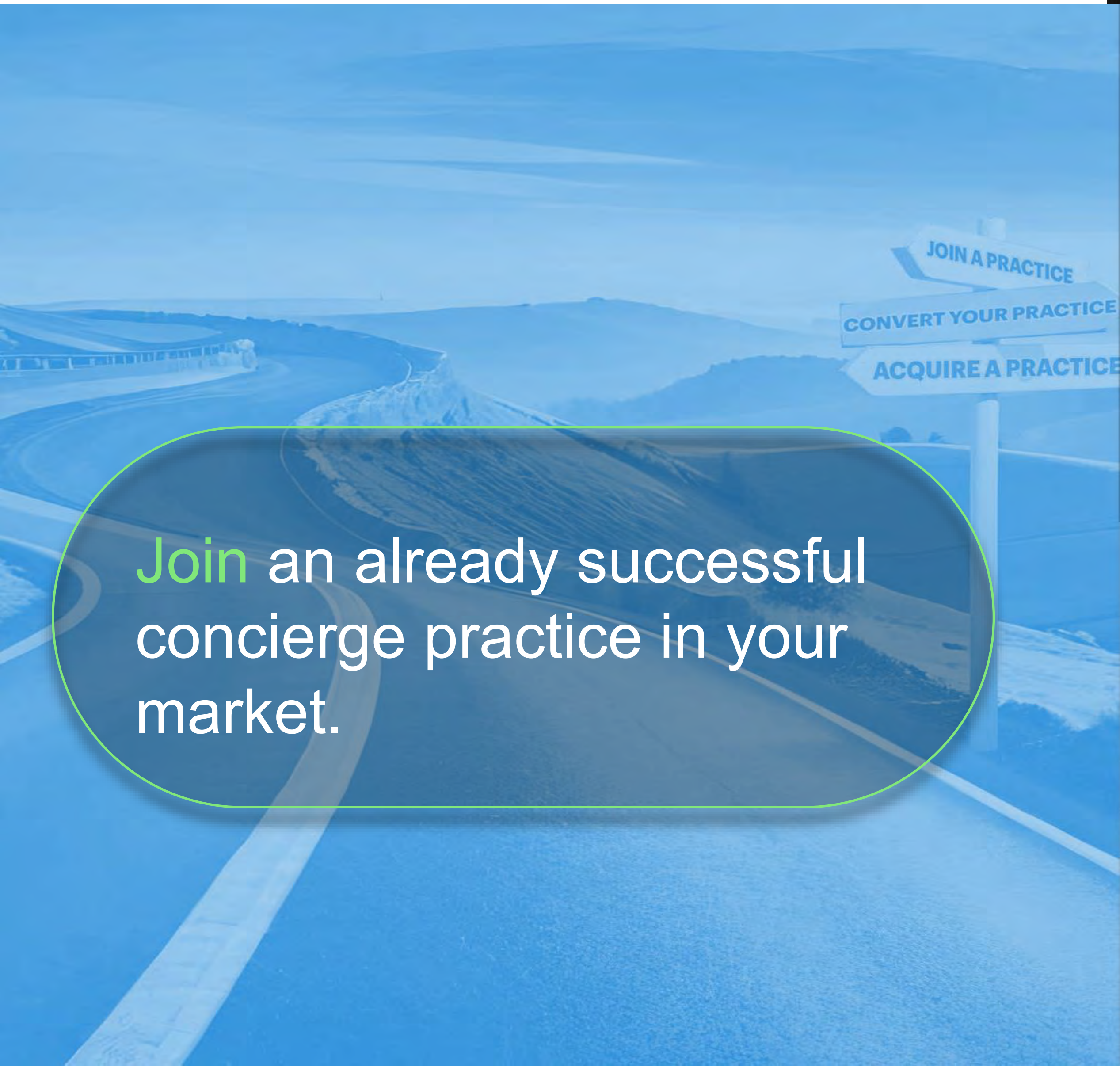


Acquire a successful
concierge practice
from a retiring
concierge physician



Key Considerations

- Similar to previous considerations
- Financial needs & financing capacity
- Restrictive covenants (if currently employed)
- Location



Join an already successful
concierge practice in your
market.



Key Considerations

- Similar to previous considerations
- Practice size
- Employment or buy in opportunity
- Restrictive covenants (if applicable)
- Practice culture and fit
- Location



Transition within a group practice to Concierge



Key Considerations

- Similar to previous considerations
- Support of the group
- Size of the group
- Capacity to accept patients



Convert from being a health system employed physician to starting a new concierge practice



Key Considerations

- Similar to previous considerations
- Restrictive covenants
- Capacity to finance new location
- Ability to run the practice
- Hiring staff
- Attracting patient members



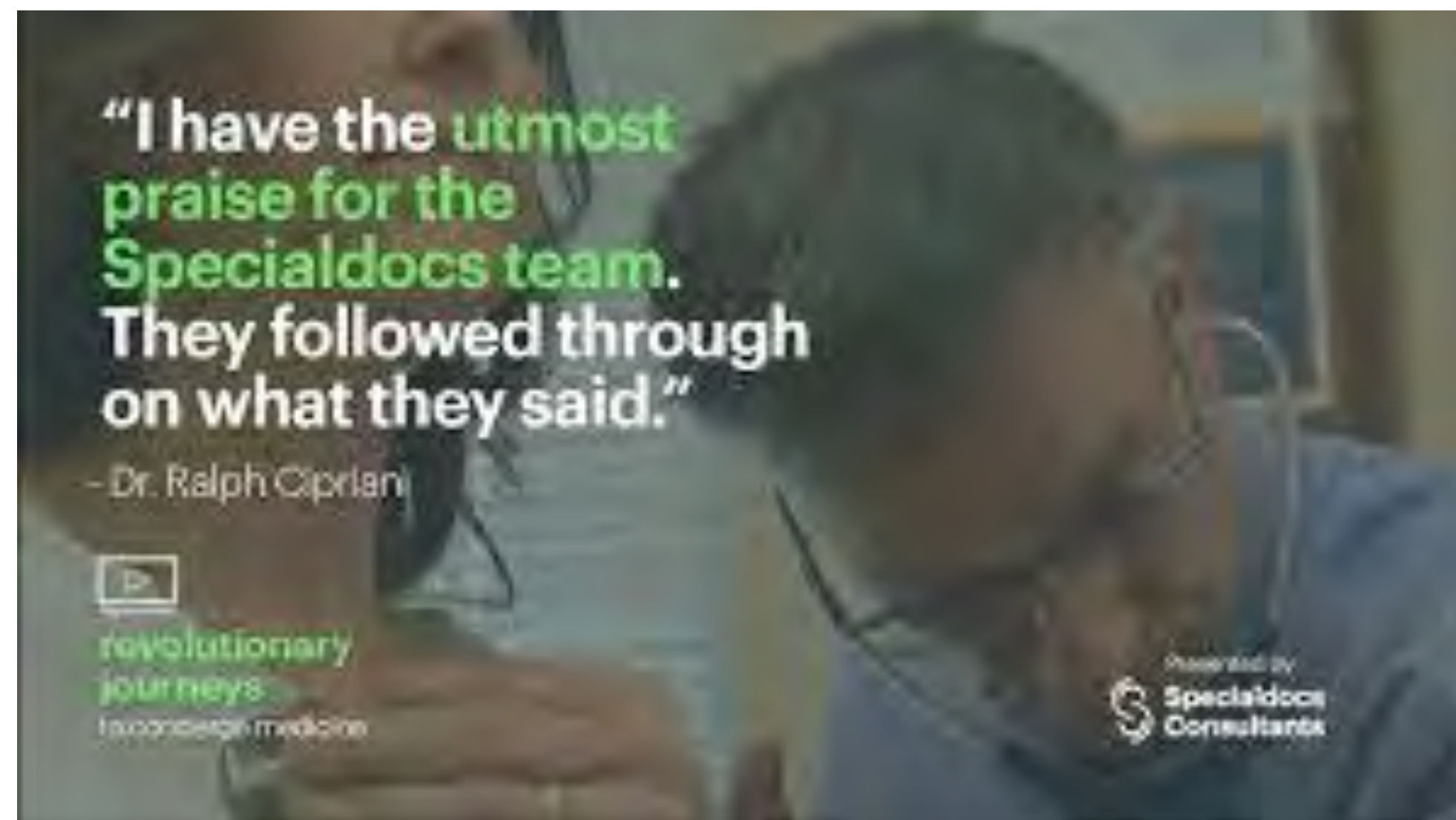
Convert from being an employed physician in a group to join an existing concierge practice



✓ Key Considerations

- Size of the practice
- Waiting list?
- Ability to attract patients
- Income expectations
- Restrictive covenants
- Practice culture

The Key to Success: An Experienced Partner



- Founded in 2002, Specialdocs is a concierge medicine pioneer
- 104 and growing Specialdocs-affiliated locations in 23 states, serving 45,000+ patients
- The Specialdocs team provides expert, knowledgeable guidance every step of the way

Lay the Groundwork

- Patient panel analysis
- Financial analysis
- Operational analysis
- Market evaluation
- Payor reviews
- Location analysis
- Competitive evaluation
- Staff analysis
- Membership forecasts

Consider IQ and EQ

- Diagnostic and clinical skills
- Interpersonal skills
- Communication skills
- Emotional intelligence
- Image
- Connections in the market
- Specialists
- Hospitals
- Employers
- Other healthcare providers/facilities

Effectively Communicate Your Vision

- Vision, mission, values
- Practice definition and differentiation
- Service offerings
- Website and SEO
- Messaging
- Written communications
- Patient engagement
- Patient follow up

Adapt to Change

- Measuring satisfaction, reviews, NPS
- Asking for and acting upon feedback
- Determining the right size panel
- Understanding attrition
- Capping the membership
- Developing growth strategies if necessary
- Adding new physicians analysis

Plan for Succession

- Continuity of care
- Timing
- What about your partners?
- Is everything documented?
- Asset valuation and expectations
- Finding the right buyer, advisor and lawyer
- Optimizing retention
- Communication
- Transition and exit

Thank you.

For more information, please contact Specialdocs

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www.specialdocs.com

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