

the better. Health care and insurance providers would have to become far more efficient and productive to avoid losing market share to competitors, and they would be forced to focus on the needs and desires of patients, not government payers.

For Republicans committed to maintaining a vibrant and free society, there is no choice but to make genuine health care reform the centerpiece of their domestic agenda. If the health

care debate is lost, then the fight for limited government is lost as well.

That means that the effort to repeal and replace Obamacare and to fix our health care entitlements must be well underway by 2013. And that, in turn, means that a Republican president must be elected in 2012 having run on a platform of real health care reform. For those who aspire to be that Republican president, the time to develop that platform is now. ♦

go about it, because they're angry with what insurance companies are doing to them. They say, 'How can I get out of the insurance business?'"

A lot of the discussions come this time of year, around tax time, he says. He advises doctors to think hard about why a fee-for-service approach would work for them, and most end up sticking with the traditional model.

Forrest's approach is one of several that are gaining popularity as doctors—fed up with health care bureaucracies—search for new business models. Some, known as “concierge” practices, charge a monthly fee, typically of \$100 or more, in exchange for enhanced access to physicians. Some accept insurance, others don't.

Forrest's patients pay for services off an à la carte list, or they can pay a \$39 monthly fee for a discount off the price list. He says the economics work because he doesn't have to hire employees dedicated to dealing with insurance companies. Patients pay him on the spot and in full. While he's a primary care physician, he says even specialists can make such a business model work. He's even negotiated discounts for his patients with local networks of specialists who appreciate being paid promptly. Forrest believes this simpler, market-driven approach is poised to take off.

Last spring, when Obamacare passed, he was making money on the side by consulting with physicians on how to transition their practices away from accepting insurance. But the demand became too great. So last summer, he launched a website—forrest-directpay.com—that sells an online how-to kit for \$3,500. He says he sold 50 in the first month: “We realized, Wow! There really is a demand out there.”

But he scaled that effort back a few months later, as new opportunities arose. His practice was growing, and he needed to expand. At the same time, businesses were starting to approach Access Healthcare about sending employees his way. A local sushi restaurant, for instance, pays him \$379 per year per worker—far less than the national average insurance premium

*Cash for Doctors Revisited

An idea whose time has come?

BY TONY MECIA

Raleigh
The last time THE WEEKLY STANDARD caught up with Dr. Brian Forrest, Obamacare had just passed and the North Carolina doctor was confident that his approach to health care would prove popular (“Cash for Doctors,” May 24, 2010).

His practice, Access Healthcare outside Raleigh, doesn't accept insurance. Instead, Forrest takes payment from patients on the spot, and he lists prices in his waiting room in an effort to be transparent, “like a Jiffy Lube.” At the time, he said he figured his approach would become more popular as people opted to circumvent the hassles and cost of regulations from government and insurance companies.

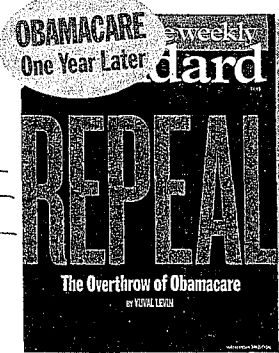
Now, nearly a year later, Forrest says he's more sure than ever that his business model makes sense. He's planning to franchise his practice,

with six similar doctors' offices scheduled to open in North and South Carolina this summer, and plans to open others as far north as Baltimore and as far west as Indiana.

He's obviously seeing interest from patients. But he's finding a groundswell of interest from other quarters,

too, including from doctors who want to emulate his practice, employers who are looking for less-expensive alternatives to traditional insurance, and even from insurance companies. “I think we're going to see this model explode,” he says.

Skeptics say Forrest's approach—known as “subscription-based” or “direct pay”—wouldn't work everywhere, and it's not for every medical practice. A lot of existing practices don't want to dump insurance cold turkey with no guarantee of success, says Jeffrey J. Denning, a practice management consultant in La Jolla, Calif. “We run into a lot of physicians who are interested in it,” Denning says, “and want to know how to



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of about \$5,000 a year per worker. The restaurant's owner couldn't afford full-blown insurance, but wanted to do something. So now, workers receive an annual physical and unlimited visits to Forrest's office for \$20 per visit.

"The best part is that the employees sometimes bring sushi as tips," Forrest says. "They bring some great lobster rolls."

Forrest says he's read some legal interpretations that suggest paying workers' health care fees at a doctor's office directly—as the sushi restaurant does with him—could satisfy the Obamacare mandate that businesses with 50 or more workers provide health care coverage for their employees beginning in 2014.

"A lot of businesses are thinking that way," he says. "At least when the coverage police come around, you can say you're doing something for your employees."

More significantly, Forrest says a major national company—which he declines to name for now—is encouraging him to open doctors' offices all over. The idea there is that the company

could save money by directing its workers to one of Forrest's clinics. The company would still offer traditional insurance, but because premiums are linked in part to utilization, premiums would stay low since workers would start by heading to a practice that didn't accept insurance.

Perhaps most surprising in the last year, though, is that insurance companies—"typically our enemy"—are taking an interest in Forrest's work. They were intrigued after Access Healthcare was named one of 33 "Cardiovascular Centers of Excellence" by the Consortium for South-eastern Hypertension Control.

"They said, 'Huh, you have better outcomes than most doctors have,'" Forrest says. "We said, 'Yeah, that's because our focus is on patients, not insurance.'"

Forrest says insurers are trying to figure out ways to work with his model, without imposing the usual burdens of filing, coding, and billing.

"There are so many people who are really becoming interested in this," he says. ♦

A Purge Too Far?

The economic consequences of 'de-Baathification' in Egypt. BY DAVID SCHENKER

During Egypt's Papyrus Revolution, the state's jails were emptied. Hundreds of convicts—Islamists and secularists alike—escaped and vanished. Still others were released by the doomed Mubarak regime to attack pro-democracy demonstrators in Tahrir Square. Some foreign terrorists in Egyptian custody even quit their cells and auto-repatriated to Gaza and Lebanon.

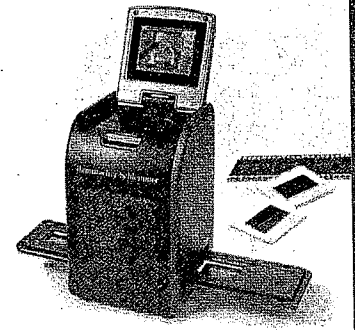
David Schenker is director of the Program on Arab Politics at the Washington Institute for Near East Policy, and author of a soon-to-be-published study on Egypt after Mubarak.

More than a month after longtime Egyptian president Hosni Mubarak was removed from power, Egypt's jails are again filling up. But this time, it's not the usual Islamist suspects behind bars. Instead, Egypt's holding cells and court dockets are swelling with senior officials of the fallen Mubarak regime.

Like post-Saddam Iraq circa 2003, Egypt is in the early stages of its own de-Baathification process, purging and prosecuting former Mubarak regime functionaries. Some members of the former regime, including Minister of the Interior Habib el-Adly and four of his deputies, have

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