

# TOASTERS & TORNADOS

## Why no one needs (or wants) insurance in primary care medicine

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by David Z. Tusek, MD

Many people ask why we no longer accept insurance plans at Cloud Medical?

The reason is both simple and complex.

We do not take our decision to disentangle our practice from insurance lightly. And we have a deep philosophical rationale for this, which I will explain more thoroughly to those who have the interest and endurance to read on in other longer posts. The truth is that we believe this is the first step along the path of meaningful reform of US healthcare toward a more sane and more ethical system.

But the short story is that insurance is fine for catastrophic and very expensive incidents like heart attacks, strokes, major surgery, cancer treatment, hospitalizations, etc., although for many people, a healthshare is a better option than insurance (more on that later).

At Cloud Medical, we offer a vast array of the majority of healthcare services that people need: pediatrics, gynecology, adult medicine, and nonstop urgent care—and we do at all at an average monthly rate of approximately \$80 per month, the price of a daily cup of coffee.

We do not charge co-pays, we see our patient-members as often as they need to be seen in the office (or via cell phone, email, text encounters, or videoconference), and we offer same-day and after-hours visits for urgent matters.

We provide devoted and attentive care which is independent of time and space—it doesn't matter what time it is or where you are on the planet, we are here for you. We essentially provide limitless access for the majority of anyone's healthcare needs across their entire lifetime.



Many people fondly recall the good old days that they had a close relationship with their doctor. They remember a time when they developed a strong life-long connection with a physician who they could rely on whenever they needed help; someone who they knew was loyal, dependable, and reliable. The same people wistfully complain that such patient-doctor relationships no longer seem to exist in the current era. The reason is that the health insurance industry has, over the past several decades, gradually and systematically dismantled such relationships.

Insurance is not inherently bad, it's just completely misplaced for primary care. Imagine if we used insurance to pay for our groceries, for a plumber to fix a dripping sink, or for oil changes on our car. And, each time we wanted to pay for such basic and routine goods or services, we employed a massively complex system of billing, coding, denials, restrictions, delays, pre-approvals, co-pays, deductibles, exclusions, and prior-authorizations that increase the front end costs by anywhere from 30% to 3000% above the "real cost of goods and services". And worst of all, you would have no idea what your cost would end up being until *after* you obtained the service.

If a tornado rips through your neighborhood and tears the roof off your house, you engage your home owner's insurance policy for good reason. But what if your toaster breaks, or if your windows need washing, or a room in your home needs to be repainted? How absurd it would be to call your insurance agent to initiate a claim. Yet somehow we have been led to expect that healthcare issues as simple as a strep test, a Pap smear, or a few stitches require engaging the burdens and inefficiencies of a vast, ever-changing, and (for most people) incomprehensible insurance system.

This has led to the system we have now: multi-week waiting periods to see your personal physician who is no longer really "personal" at all, and who seems like they don't have time to get to know you as a human being or and connect with you in a way that makes you feel that you've been heard or understood. The status quo of primary care these days is to wait weeks for a 10 minute appointment that feels rushed and has time to accomplish very little other than a quick refill of a medication or a brief glance over a few perfunctory blood tests.

Primary care, gynecology, pediatrics, office based surgeries (like most skin cancer removals), needle-based therapies (like knee injections) and non-stop urgent care for nonlife-threatening medical emergencies call all be provided seamlessly by your physician in a seamlessly un-interrupted and personalized way for less than \$3/day. There are not many ways to get a better return on an investment for your health than this – ***no insurance required.***



Have your doctor on speed-dial or contact their office any time you need to be seen or need to discuss a health concern. Contract directly with your personal physician, and if they fail to live up to your expectations, just end your contract with a 30 day notice, no questions asked. If you do find that the practice provides peace of mind, value, excellent care, a close personal relationship, and good customer service, you can continue your membership over your lifetime—irrespective of whether you change jobs.

For many people, a much bigger problem than the lack of a personal connection with a doctor is the skyrocketing cost of health insurance. Here are the 3 most common scenarios:

1. **What if I am self-employed or work for a small company?**

We suggest looking at combining Cloud Medical (which takes care of your primary care and urgent care needs) with a healthshare like Sedera.com (for your 'major medical' needs). This combination provides comprehensive health care and **costs about half** of the health insurance plans available on the Colorado Health Exchange.

2. **What if I have Medicare or Medicaid?**

You are welcome to join Cloud Medical after 12/31/2020. You can continue to use your Medicare or Medicaid plan to pay for your major medical services (like hospitalizations and surgeries) as well as your labs, diagnostic testing, and prescriptions.

3. **What if I have insurance through my employer?**

Employer-based plans pair well with Cloud Medical. We can manage the vast majority of your healthcare needs at our practice, and you can use your insurance plan for your major medical services (like hospitalizations and surgeries) as well as your labs, diagnostic testing, and prescriptions

Some people ask if Cloud Medical is a "Concierge Medicine" practice. This term usually means "executive level healthcare for wealthy individuals" which adds an additional significant expense to an already extremely costly health insurance plan. At Cloud we pride ourselves on offering the most economical option available for many individuals, families, and businesses. We are the heavyweight champion advocates of your health as well as your wallet. We provide healthcare for ultra high net worth individuals as well as for young start-up entrepreneurs who discover that our program is in fact the most affordable option in the entire healthcare marketplace. We often say that we offer concierge-level care at half the price of the cheapest Kaiser plan. We at Cloud Medical are pioneers in a new model called Direct Primary Care, or DPC.

