

Primary Care Cures

Episode 64: Dr. Gordon Chen

Ron Barshop:

Most problems in healthcare are fixed already. Primary care is already cured on the fringes, reversing burnout, physician shortages, bad business models, forced buyouts, factory medicine, high deductible insurance that squeezes the docs and is totally inaccessible to most of the employees. The big squeeze is always on for docs, it's the acceleration of costs and the deceleration of reimbursements. I want you to meet those on this show that are making a difference. With host, Ron Barshop, CEO of Beacon Clinics, that's me.

Ron Barshop:

This quarter will be remembered as a final nail in the coffin for independent fee for service and I hope I'm wrong. The war on independents has been waged by Ivy league, ivory tower policy wants who are certain they're the smartest guys in the room. And they're delighted that the macro evaporation of a model they poo poo at every turn. COVID-19 will rapidly accelerate their dream of an entire nation of corporatized factory medicine, capitation nation, elite geeks in control of pricing. Well, spiked costs and spiked loss of revenue is the final straw for some of these scrappy, independent PCPs and surgery centers squeezed literally to death. Groups will disintegrate, practices will be abandoned, docs and staffs rushed to big systems and this is a sad thing.

Ron Barshop:

The last seven years equals all of the past combined towards the disappearing of the independent. And 2020 will massively accelerate this horrible trend and why is this horrible? Independent docs and surgeons lower costs by two to eight times to the system, to the overall population health. They're also less burned out, measurably so. And they produce therefore lower medical errors, and have lower infection rates at the surgery centers by four to eight times. The future of these models is suddenly brighter than the sun. The model of value based care is in its golden days, now, you'll learn why today when we hear from our guest. They are a model citizen in value based care. Their message, today, to their patient, you'll hear, is stay at home and stay safe. Great for capitation. Direct primary care is a second model and virtual primary care a third model. Then, while they'll be losing members for a period, they will bounce very nicely because they offer 100% telehealth usage and frictionless doc access.

Ron Barshop:

We have a special co-host for the coming shows you've heard the music change to be more upbeat. And I thought to talk about the current situation with an expert. Happy to cohost for a while and let John add his 2 cents. John Dennis graduated from Harvard and then got his MBA from Rice Business School. And after college was an officer in the US Navy before going into investment banking in New York, and then later Houston, Texas. After building an energy services company, he helped startup the merchant banking team at Koch Industries before starting his own investment banking firm where he's the managing director WoodRock & Co. One of the smartest guys I know.

John Dennis:

Delighted to be here. Thank you.

Ron Barshop:

But as smart as John Dennis is, our guest today, Dr. Gordon Chen, he's the chief medical officer for Chen Medical. A celebrated company you've probably heard about, if you haven't been in a closet growing mushrooms the last 10 years. They have better access to quality primary care for the underserved population of the Medicare seniors. And their high adherence rates to drug treatment plans is off the charts. We'll talk about that today. They have lower hospitalization, lower readmission rates, improved LDL levels, and their A1C levels are dropping in diabetics, and they are reversing diabetes and their clinics with their model. They have one of the highest net promoter scores in primary care today. And started their practice with the senior doctor, Dr. Gordon Chen, more than 30 years ago. Today they have 70 medical practices for seniors in Florida, Georgia, Illinois, Kentucky, Louisiana, Missouri, Ohio, Pennsylvania, Tennessee and Virginia with plans for at least another seven locations that we'll hear about in a few minutes. Gordon, welcome to the show.

Dr. Gordon Chen:

Happy to be here, Ron. Thank you.

Ron Barshop:

So Gordon, we've had as a previous guest, a couple of shows, Chris Crow with StratiFi and Catalyst in Dallas, they have over a million patients in their population of different population than Chen medical, but they are using a really cool trick up their sleeve that is allowing them with PillPack to take a picture of the barcode, and make sure that they're taking their AM and their PM meds on schedule. They now know when they're adhering to their meds, obviously, and their numbers are dramatically higher than the low teens that we're seeing with national studies. Do you have some kind of a trick up your sleeve like that?

Dr. Gordon Chen:

Sure. Medical centers have their own, but let's say 80% of the medications that chronic patients, patients with chronic disease rather who would typically be on and we have on site. And our PCPs have the ability to order the medication right from the exam room and then it gets delivered right to the door. So, before they finish the visit, the PCP can actually hand the medication directly to the patient. So, what happens is you remove that additional step for the patient, have to get a prescription, go to the pharmacy, pick it up, make sure that they pay you whatever needs to be done then, and then go back and make sure they're taking it the right way. When the physician can directly give the medication to the patient, right then and there, it simplifies things tremendously and it creates more bonding between the patient and the physician.

Ron Barshop:

All right, so Gordon, very exciting. Thank you for sharing that. Your LDL levels are dropping, your A1C levels are dropping. Do you ever see that the Chen Medical model will help actually reverse diabetes? Reverse hypertension?

Dr. Gordon Chen:

Oh, absolutely. I mean, there's so much that can be done with great health coaching. I'll give you an example, we had a patient that was on 100 units of insulin and we teach our physicians to coach for health. And that doesn't mean just titrating the insulin levels up and down to reach the glucose levels that we would like. We coached her through lifestyle interventions, and through frequent visits to actually get completely off of insulin, right? She lost over 100 pounds, got off insulin. And that happened by having a dedicated PCP that had a mindset of coaching their patient to better help, which was unbelievable. We see this time and time again throughout our organization, all over the map. Our PCPs are able to get patients off of medications and get them to a higher state of health wherever they are.

John Dennis:

Gordon, how and when did you start ChenMed and what was the initial catalyst? And then, the investment banker in me always wonders, how did you start it financially? With partners, with thanked financing, or just out of your own pocket?

Dr. Gordon Chen:

So ChenMed was started over 30 years ago by my parents and my father is an internist, my mother ran the shop. And we had one medical center in Miami Gardens. We were full risk since 1992, and then we developed an expertise around managing complex chronic diseases, and managing it in a full risk environment. In 2003, the practice was very successful, doing well and my father had, essentially, a near death experience. He was diagnosed with cancer, was told that he had two months to live, and he had a golf ball sized mass behind his nose causing some numbness on his lip. The whole family kind of bonded together. My brother was in cardiology fellowship, I was finishing medical school. And we came together and we helped my dad fight through the cancer. And the diagnosis ended up being wrong. It ended up being a curable cancer.

Dr. Gordon Chen:

And through that we suffered, my goodness we suffered as a family. We experienced all of the pitfalls of not only having poor health, but having a broken healthcare system, right? Doctors not talking to each other, misdiagnosis, complications, whatnot. And it gave us an opportunity to take all of our knowledge, or all of my parents' knowledge in managing one full risk practice. And gave us this fire in the belly to scale out the model that we had, and we knew it was delivering better health for our patients. Gave us this burning desire to scale out something better that seniors all over the country would be able to benefit from.

Dr. Gordon Chen:

And we were able to actually then take our earnings from that one center and go from one center to two, two to three. Before we knew it we had six centers in South Florida. Our outcomes were so impressive and our patient satisfaction rates were through the roof. We were growing. And so our health plan partners wanted to see if we could take this outside of South Florida. And so, back in 2011, we partnered with Humana to develop a company called GenCare, which is a subsidiary of ChenMed, and we grew the model in Virginia. We went to a pure fee for service environment and grew successfully. We were able to improve outcomes just like we did in South Florida with great patient satisfaction and we continued to grow to Illinois, to Georgia, Louisiana, Kentucky and we've continued to grow from there.

Dr. Gordon Chen:

GenCare's been very successful. That's allowed us to refocus and say, "Hey, where do we want to grow now?" And so, at this point in time, we are privately held, we're generating earnings that allow us to grow from our earnings. And we continue to look for communities that have a great need for primary care and have seniors that are falling through the cracks that we could help catch them.

Ron Barshop:

There's a lot of practices in Houston, for example, that will not take Medicare patients. They just say, "Thank you very much. We'll move on." That you found a model that works. I would imagine there's not a lot of communities you can't expand into, is there?

Dr. Gordon Chen:

We are looking really all over the map to see which communities would be best fit for us. Houston, certainly, is on the list and we're anticipating going to Houston in 2021, in early 2021 that is. I think that

you do need a certain amount of infrastructure to support a full risk model like this. You need payer partners that are experienced in supporting for risk providers. And I think you do need a certain amount of, obviously, seniors and the density that would support one of our medical centers. A medical center of ours can support 2 to 3000 seniors. We would like to have seniors within a 5 to 10 mile radius of the medical center, so it's got to be not very dense but dense enough to fill up a center with 2 to 3000 seniors.

Ron Barshop:

So, I'm just doing the math on 2000 divided by 400 you're going to have 5 providers. Does that look like maybe a internist, and maybe an NP, and couple of PAs? Or what does your support team look like in Houston when you launch here?

Dr. Gordon Chen:

Yeah, most of our care teams are led by a physician. And the physician is expected to hold a panel 400 to 450. So, if we have 2 to 3000 patients per medical center, that would be anywhere from 5 to 8 physicians in that practice. Now, they would be supported by a care team, which is a care promoter, typically a medical assistant or an LPN, and a care facilitator and a care coordinator, which are more administrative staff. Each medical center also has case management. Some will have social workers as well. And then, we'll have transitional care teams that help to support grouping of centers that will go into the hospitals and help to make sure that the transitions are smooth, and that we can get patients discharged, and home as quickly and efficiently as possible in a safe and healthy way.

Ron Barshop:

When you are checking somebody into a hospital, I'm going to assume that your primary care provider's going to be in touch with the admissions, and make sure that their care plan is explained to the admissions, so that they actually have a quarterback and they're not just literally be handed off into the wild.

Dr. Gordon Chen:

That's right. One of the wonderful things about our model is because of the small patient panel sizes, wherever the patient is, whether or not it's in a specialty office, or in the hospital, or in the ER, they have a quarterback for their care and that's their primary care doc. Our primary care doctors will give out their cell phone numbers to patients and say and mean, "Call me anytime that you need." They'll say it, and they'll mean it. And with our patients we have secure texting applications as well. And so, they're PCP is literally a phone call away, a text away. There is as much accessibility as you could ever want for anyone in your own family. And that's what we provide for our patients.

Dr. Gordon Chen:

And so, what happens is if they're in the hospital, we expect our physicians not only to be in direct contact with the patients but to be co-managing the patient with the hospitalist team, or if they're in the ICU with the intensivist team. If they're getting managed by a cardiologist or another specialist that PCP should be involved as well. So, we really want that continuous connection point, and the advocacy for the patient continues wherever they are, and whatever situation they are.

John Dennis:

So Gordon, I have to ask you, in the last couple of weeks when the world has been asked to social distance and, ultimately, to stay at home, have the cell phone and text access that you all have provided to your seniors has that become telemedicine and teleconferencing with their doctors, their providers?

Dr. Gordon Chen:

John, that's a great question. And in the world of COVID today, we need to be agile, and we need to be connected with our patients. So, our core ChenMed model is based upon frequent face-to-face encounters so that the relationships can develop and you can earn the patients' trust and you can get them to change their behaviors. What we were able to do, because of our technologic platform that we had and the strong relationships that we've had with patients, we were able to pivot, literally within seven days, almost 90% of our visits were converted to telehealth. And that means instead of coming in for their regular appointments, we've converted them to telehealth, and the response from patients was tremendous. They appreciated continuing to be able to access their PCP and get medical advice and direction, but without putting themselves at risk by coming into a medical facility unless they really needed to.

Dr. Gordon Chen:

So, we converted 90% of the routine visits to telehealth. Then, we proceeded to make sure that we were connecting with our patients to educate them because I firmly believe, even now, that prevention is the best medicine for preventing unnecessary deaths with coronavirus. And so, what we did, we had texted to our patients group texting, blast texting, educated them on what to expect, how they can pair themselves, protect themselves, what social distancing means. We had our PCPs and the medical centers also text their patients.

Dr. Gordon Chen:

But then we did something additional to that, we had each of our PCPs with their care teams call each of their patients with, what we have termed, love calls. These are not waiting for the patients to call us, we were calling them and checking up on them. "Do you have enough food? Do you have enough medications to get you through? Can we deliver medications for you? And what can we do to meet your health needs," so that during this dangerous time period of coronavirus, that we are encouraging them and helping them to stay healthy, happy, and at home.

Dr. Gordon Chen:

What's incredible right now is if patients go to the emergency room if they don't have coronavirus by the time they leave the hospital the chances of them picking up coronavirus in the hospital are quite high. We've already had a few nosocomial infections from patients that get admitted to the hospital without coronavirus and then leave with coronavirus. So, we want to make sure that we're protecting our patients from that unnecessary exposure.

Ron Barshop:

So Gordon, this is my favorite part of the interview because I get to involved you and John. John Dennis is on the emergency response team for Houston. He's going down to meetings too. What is the messaging we need to get out to the population here in Medical City, USA? And you and I spoke previously and I was asking if your patients were to ask, "Should I go pick up my favorite barbecue? Is that a safe zone?" And you said, "That's like going into a radioactive zone." And you started describing. Can you describe on the ground what your patients should be avoiding driving up until McDonald's window, or going to the grocery store? Just what are you telling your 65 pluses to do in this escalating ... and we're in the first week of April, so escalation is the magic number. We're seeing a lot of the curve is getting very steep right now. What is your on the ground practical advice? And I want to hear what John has to say about that.

Dr. Gordon Chen:

We've simplified it for patients and we say stay SAFE, S-A-F-E. Stands for social distancing, try not to interact with anyone within six feet, and that includes grandchildren, kids, other loved ones. Just keeping no closer than six feet, keeping that distance between folks, not shaking hands is really important, and that's what we mean by social distancing. Staying at home as much as possible and avoiding unnecessarily going outside. A is avoid touching your nose and your face. I think that's very important because that's how the virus gets into our system is, generally, through our mouth, our nose, or our eyes. F is for frequently washing your hands for at least 20 seconds. That's really important. It should be with soap and water for 20 seconds. And what we'll see is coronavirus can get absorbed by soapy water, and so that's a great way to protect our patients. And lastly, E is just engaging with your doctor frequently. Our doctors have texting and calling with their patients and so their doctors are very accessible. So, we remind them to stay SAFE, and that's what we mean by that.

John Dennis:

You must have an opinion about social distancing and staying at home making a substantial difference to flatten the curve. But I really would appreciate your thoughts and perspectives for the benefit of our audience because there are some folks that are still having a hard time accepting what it really means.

Dr. Gordon Chen:

It's important to realize that coronavirus is preventable. If we socially distance ourselves, if we wash our hands, and if we remove any unnecessary travel we can prevent the virus from spreading. Now, our patients are seniors, typically, between the ages of 70 and 75, many that have chronic conditions, and that puts them at extremely high risk of even death with the infection. And so, we want to do everything we can to prevent unnecessary contact with someone else that can have the virus, or even with different surfaces, or different locations, or different environments that may put them at risk for getting the virus.

Ron Barshop:

Gordon, what do you say to people, taking a departure from this discussion of, "If everybody was Gordon Chen, we would have 400 patients times not enough doctors and we would be in a population health disaster. We would be leaving everybody without enough doctors to take care of the universe," what do you say to that kind of criticism?

Dr. Gordon Chen:

I think that's a great question. Well, first of all, remember our 400 to 450 patients are not your average aged Americans. They're seniors with multiple chronic conditions. And we all know that the majority of our healthcare costs and healthcare burden lies with our seniors. So, if we are stacking our primary care talent with the population that needs the most help, in not only managing their conditions, but also driving up the majority of the healthcare costs in America, that's a good place to put our primary care talent.

Dr. Gordon Chen:

What I would love is I would love to get to a point where primary care becomes a destination for talented physicians across the board and maybe we don't need as many specialists. Maybe we have more people that would have gone into special care going into primary care because it can be more attractive. How do we get primary care to the point where it's able to compete for that level of talent? I think we need to pay our primary care physicians more and with the amount of impact that they can have through building great relationships, through prevention, through lowering total cost of care. I think we should be paying our primary care physicians like we do our specialists.

Dr. Gordon Chen:

Now, my background is internal medicine and cardiology. I would love to see primary care physicians making as much as cardiologists, and maybe folks that would have gone into cardiology think twice and they say, "Hey, what about a beautiful career in primary care?" I think if we're able to do that and create more interest in primary care, I think we'll be able to have plenty of physicians to meet the needs of our most vulnerable patients first. And then, also, I think through telehealth and telemedicine exploding, I think the majority of working class Americans should be able to access great care through telehealth. And the ones that need more care and need that high touch dedicated model. I think, we'll have plenty of physicians, if we can figure out how to create more balance between specialty care and primary care.

John Dennis:

One of the greatest challenges in, at the current moment in time on April 1st, is simply people being able to pay their bills on time. Are you concerned at all about your seniors being able to make their payments to you?

Dr. Gordon Chen:

So, I'm very concerned about what is happening with coronavirus and the financial impact that it's having on our patients, on our communities, on our unemployment rate it is very serious. We're very fortunate at ChenMed that we don't charge our patients anything. They don't pay a premium. They don't pay us when they see us because most of the Medicare Advantage plans that our patients are on have a \$0 copay for PCP visits and have \$0 premiums. So, Medicare Advantage becomes very affordable for patients, particularly, when there are economic crises like there are today. So, we're fortunate that we are able to serve patients that can't otherwise afford it, but they have Medicare, they have Medicare benefits, and they can choose a Medicare Advantage plan that meets their financial needs. And we take most Medicare Advantage plans in our practices, and so we'll be able to stay accessible to the majority of patients out there.

Ron Barshop:

Gordon, how will people find you if they want to reach you and apply for a job when you come to the Houston and the other market? And do you want to mention the other markets you're going to, so you can be collecting resumes there?

Dr. Gordon Chen:

Sure. Yeah. So, we are opening in Cincinnati, Ohio; Cleveland, Ohio, Memphis, Tennessee; St. Louis, Missouri and Orlando, Florida. We'll be opening early next year in Houston, Texas, which we're very excited about. Any physician, or any clinician that would like to learn more about a career at ChenMed come visit our website, www.chenmed.com. We have an email, clinicalcareers@chenmed.com that's clinicalcareers@chenmed.com. And through either the email or our website ... we also have a specific website for physicians, that's www.chenmed.com/physicians

Ron Barshop:

Are we talking about internal medicine? Are we talking about family practice? What are you looking for? I know not pediatricians, but what are we looking for in these resumes?

Dr. Gordon Chen:

We're looking for great physicians that can care for seniors, so that would be internal medicine physicians, geriatricians, family medicine physicians as well. Great nurse practitioners that also have a focus in geriatric medicine. We're looking for any of those types of clinicians.

Ron Barshop:

I always like to a stumper at the end. And if you've heard my show before, everybody knows this. But if you could fly a banner over America for all Americans to read what would you put on that banner?

Dr. Gordon Chen:

Okay, so at this point in time for COVID, in the world of COVID I would fly banner across America saying Stay Safe and Stay Home.

Ron Barshop:

Stay at home. All right. And S-A-F-E, we're going to remember that. Gordon, this has just been a delight and there's a whole lot more to talk about, we'll do in future shows. If you don't call John Dennis and I, we will hunt you down when you come to Houston, and you will be in big trouble with us. So, we want to be there at your grand opening celebrating with you, okay?

Dr. Gordon Chen:

I would love to see you guys when we go to Houston and connect more frequently. Thanks so much.

Ron Barshop:

Well, again, Gordon, really a joy to have you and we'll look forward to our next visit as soon as we get through this and do this in-person would be very lovely. Thank you for your time and thank you, John Dennis.

Dr. Gordon Chen:

Yeah. Thank you, Ron. Thank you, John. God bless you guys, and may God bless America.

Ron Barshop:

Thank you for listening. You want to shake things up? There's two things you can do for us. One, go to primarycarecures.com for show notes and links to our guests. And number two, help us spotlight what's working in primary care by listening on iTunes, or wherever you get your podcasts, and subscribing, and leave us a review. It helps our megaphone more than you know. Until next episode.