



**Free Market
Medical Association**

Necessary Pillars to Expand the Free Market

How we can Mend Healthcare in America

PRESENTED BY:

Joseph "Jay" Kempton

Co-Founder of Free Market Medical Association

President & CEO of The Kempton Group

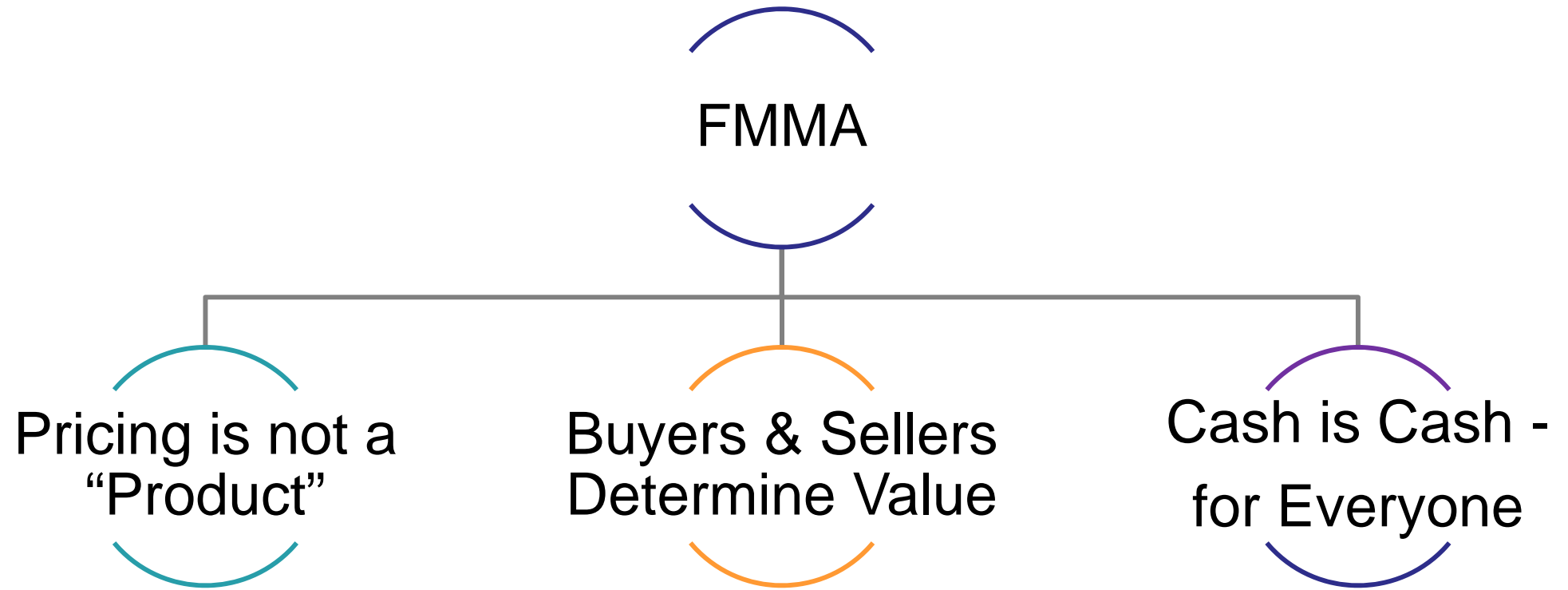


**Free Market
Medical Association**

Agenda

- Pillars of Free Market Care
 - Pricing is **Not** a Product
 - Willing Buyers and Willing Sellers Determine Value
 - Cash Price Equality
- Road to Recovery

Pillars of the FMMA



Pricing is Not a Product

- The CARE is the product, not the price for that care
- Price should be market driven
- Entities that charge “access fees” to gain access to pricing and “discount brokers” who get paid by selling “savings” are nothing more than ***ticket scalpers***
- Layers between buyer and seller can add to price
 - DON'T SELL A FIX TO PROBLEMS **YOU** CREATE

Connecting Willing Buyers & Sellers

- The Free Market works when there is freedom of choice
 - *Willing buyer*
 - *Willing seller*
 - *Market clearing price*
 - *Facilitator (optional)*
- Facilitators should ONLY be involved to the extent to make the process more between the BUYER & SELLER more EFFICIENT
 - TPA's
 - Shopping tools
 - Brokers/consultants

Cash Price Equality

- One “cash” price for all “buyers”
 - Different pricing for different cash buyers is part of the problem
- Seller defines price, but buyers/markets decide if they will pay that price
 - Anything short of quick payment in full starts negotiation
- Needed to help build price awareness in healthcare

Road to Recovery

- Self-Funded Employers
 - 60%+ of employees with private health insurance in US are enrolled in a self-funded benefit Plan
 - Pay all claims from operating budget
 - Embracing transparency saves claims dollars
 - Incent employee utilization of free market providers by paying at 100% (HDHP plan participants would pay deductible first)
 - Happier, healthier, less poor employees
 - Embrace ALL free market providers including DPC

Road to Recovery

- Kempton Premier Provider program –
 - Procedure based (bundled)
 - Procedures paid at 100% from an invoice in approx. 5 days
 - Results:
 - \$14 MILLION+ in savings in less than 4 years for our self-funded employers
 - **Increase in health benefits for employees**
 - ELIMINATE employee out-of-pocket
 - Increase quality
 - Quick scheduling
 - Bundling drives quality
- Other TPAs are starting similar programs and embracing the free market



Road to Recovery

- Free Market Providers
 - Physicians, surgeons, imaging, hospitals, facilities
 - Find TPAs and self-funded employers and offer your best cash price
 - Post your prices online
 - Advertise to get individual patients
 - Bundle procedures to make buying easier (Ford truck)
 - Run your BUSINESS like a business

Road to Recovery

- Direct Primary Care
 - Better Care, Less Cost, Happier Patients, Happier Doctor
 - DPC physicians have more time with their patients and are not fighting the insurers OR hospital employer
 - Find TPAs and self-funded employers
 - Employers can assist employers with DPC fees (but be careful, remember what Maria said)
 - Make a pitch to the employees, sell yourself!
 - Run your BUSINESS like a business



QUESTIONS