

News & Releases



Hospitals team up for low-cost care

Plan would cut costs, give care for patients without insurance

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Updated: 01/31/08 6:43 AM

A pair of Chautauqua County hospitals are planning to offer low-cost routine medical, dental and vision services to uninsured patients, using a new electronic transaction network to verify identities and create personal medical records.

TLC Health Network of Irving and Brooks Memorial Hospital of Dunkirk are teaming up with Joseph Wolfson, founder of the Metroteller and Cartel ATM networks and the proposed Health Transaction Network, to launch the program and the electronic Health Card.

Under their plan, to be announced at a press conference in Irving today, patients who have no insurance or not enough insurance can come to the participating hospitals and clinics they operate to obtain preventive, wellness and other basic care. The program is expected to be active by April.

“What we’re trying to do is allow people who don’t have a physician to have access to those services, to prevent small problems from becoming big problems,” said Louis J. Frascella, president and chief executive officer of TLC. “It’s a fairly simple concept.”

The proposal by the hospitals represents another effort to address skyrocketing health insurance costs and the 47 million Americans who are uninsured. Many earn too much to qualify for government help but can’t afford private coverage. Others are students and young professionals who feel healthy and don’t want to pay for insurance. And a growing number of small employers are either cutting back or dropping coverage altogether.

The plan by TLC and Wolfson would fill that gap. Services would include routine physicals, dental cleanings and eye exams, and will be available for a flat fee. Others can be added over time if available.

Instead of charging the full rate, the hospitals will charge the same rate major insurers have negotiated.

“If we accept it from the big insurance companies, we ought to accept it from people who can’t afford the premiums of those big insurance companies,” Frascella said.

For example, an annual comprehensive physical will be \$150, including various tests, while a women’s health physical will be \$90 and a sickness visit will be \$45. Mammograms will be \$76; a complete blood count (CBC), \$5; and a lipid (cholesterol) test, \$6. Flu vaccines will be free. A basic eye exam would be \$25; new single vision glasses, \$69; and dental cleaning, \$40. Generic prescription drugs will be \$7 or \$15.

"It's a whole array of primary care services to help people who don't have a doctor and don't have insurance, at costs they can afford and costs they know," Frascella said. "It's something really worthwhile."

Fees must be paid at the time of service, by cash, check, or credit or debit card. That means there's no billing. Frascella said it costs the hospital \$8.01 to bill an account, and estimated that TLC sends out more than 100,000 bills a year.

"There's a savings there for us," Frascella said. "What we want to do is pass that savings on to the individual consumer."

Finally, the program could cut down on the number of uninsured people who come into the emergency room for basic care, and incur huge debt.

Frascella and Wolfson said the program could also be used by small businesses who can't afford to offer health insurance to their workers but still want to provide some coverage. Or, it could help consumers with a high-deductible health plan, who have to pay the first \$1,000 or more out of their pocket before their insurance kicks in.

The services would be open to any consumer, but only at facilities operated by participating providers. The Health Card, for which they would sign up in advance and pay a \$10 annual fee, is their entry into the program, and must be displayed with two other forms of identification in order to qualify.

The card, which includes the TLC and Brooks logos, will feature a photo of the consumer, a traditional magnetic stripe for swiping, and an embedded microchip containing "biometric" identification such as a fingerprint and signature. That will be encoded at sign-up, and will be verified using a scanner at the provider.

Primarily, that will help the hospitals generate medical records for patients that might not otherwise have them, and to ensure better care and fewer medical errors in the future. But it would also prevent fraud for small employers using the program for their workers.

Wolfson's Health Transaction Network will connect the hospitals, enabling the consumer to use any participating provider. The Health Card can also be used as a "stored-value" card, like a prepaid debit card.

So far, TLC, which operates Tri-County Memorial Hospital and Lake Shore Health Care Center, and Brooks are the only participants, but Frascella wants to expand it to the hospital's medical staff. An independent pharmacy and other providers are also interested, he said, and Wolfson is pitching it to other hospitals.

Both also hope to eventually expand it nationally.

"This card is exciting," Wolfson said. "This is one of the times in my life when I feel like I'm doing something that can really help people."