

Leading Innovative Changes to 21st Century Primary Care

Physician Profile: Peter Carrazzone, MD

When NJAFP President Peter Carrazzone, MD, began practicing family medicine 32 years ago,

it was “a different world.” In the early 1980s family physicians regularly began their careers in a solo practice, often taking over from another physician.

In Dr. Carrazzone’s case, the practice he inherited had patient notes on index cards. Computers were rarely used for anything but billing. The internet, e-mail and cell phones hadn’t entered the daily vernacular.

Fast forward three decades: Computers have all but taken over and policy around how health care is managed and administered is vastly different. But through innovative thinking and a focus on value-based methodologies, Dr. Carrazzone has always stayed ahead of the game, enabling him to care for patients and maintain a high level of personal satisfaction.

“I quickly realized it was hard to take care of everyone – patients and staff – and have time for myself and my family,” he says.

Dr. Carrazzone began to explore his options. He merged with another practice and radiologist to form a group that could offer more services to his patients. That multi-physician group disbanded in 2014, and that year Dr. Carrazzone, along with four physicians and three mid-level practitioners from the practice, joined Vanguard Medical Group, an independent primary care group practice with locations across Northern and Central New Jersey. Over the years, Dr. Carrazzone, as a

member of Vanguard’s Executive Team, has widened the group’s geographic footprint, adding practice locations from Randolph to Jersey City, with 40 clinicians in more than eight office sites, and 115,000 patient visits a year.

Recently, Dr. Carrazzone was introduced to a new management model, an alternative to fee-for-service insurance billing: Direct Primary Care (DPC). He heard family physician Brian Forrest, MD, an advocate and pioneer of DPC, speak about the model at a conference in Washington, D.C.

“He sparked my interest. We spoke to him to see how we could work the model at Vanguard,” Dr. Carrazzone says.

In DPC models, which can be customized to best fit a practice, physicians charge patients a recurring retainer which covers most primary care services, including consulting family physician visits, some laboratory work and comprehensive care management, instead of billing through insurance. For physicians, DPC means dealing with far less overhead from insurance companies (a “pure DPC model” would reduce overhead from 60-70 percent to 20 percent).

Doctors spend less time on the computer with insurance companies and more face time in the office with patients. With DPC retainers in place, physicians can also choose to have a smaller patient panel and improve their practice environment.

According to Dr. Carrazzone, DPC appeals to many patients because it gives them greater access to their primary care physician for a low monthly fee, usually \$70 to \$95 a month, which he points out is less expensive than many monthly



home bills. And it enables patients to see their primary frequently, which Dr. Carrazzone says is “is one of the most important things people can do to stay out of the hospital.”

“In our DPC model, we’d like to have patients stay with their doctors,” he explains. “That’s a patient win, physician win and state win – if you keep patients involved with their primary care physician, you improve outcomes and drive health care costs down. The odds of inciting major health care costs for a patient receiving DPC care drop dramatically. Insurance companies would rather patients never get to that high deductible.”

DPC models are also attractive because they create a more stable and personal work environment for practitioners and their staff, reminding Dr. Carrazzone of what his practice was like at the beginning of his career.

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“I can’t work on a rat wheel like insurance companies require. But you have to spend a lot of time in the office on administrative tasks to fight for coverage for patient care and simply cover your costs on fee-for-service insurance billing.”

In implementing the DPC model for Vanguard, Dr. Carrazzone realized the pure DPC format wasn’t the best fit for his practice, as New Jersey state law prohibits charging patients with insurance with whom the practice participates. As a result, Vanguard Medical Group has implemented a hybrid DPC model – one that would allow Vanguard physicians to continue seeing patients who have insurance plans while simultaneously offering DPC to patients without insurance, or to those on an insurance policy that Vanguard does not participate in. With a hybrid, there are options for patients with different insurances, or even no insurance.

But the hybrid model has hit some roadblocks along the way: State regulations prevent practices from participating with

insurance plans and offering DPC to patients insured with those plans.

Because Vanguard accepts most insurance plans, they are not able to offer the DPC model to patients with those same insurance providers – which is frustrating to Dr. Carrazzone, as he knows how much patients would benefit from the DPC model of care. Ideally, he says, “Patients would have their DPC retainer for as many primary care visits as they need, and their high deductible insurance would be there for catastrophic situations like hospitalizations. But about 90 percent of issues patients have can be treated by

their primary care physician.

“We have been stymied,” he continues. “We have the DPC hybrid in place, but we haven’t been able to expand to more patients because of the state laws.” A change in New Jersey’s restrictions, he says, would “open the doors to patients with high deductible health plans who we are restricted from at this time.”

Nevertheless, Dr. Carrazzone is looking forward and focusing on innovation and improved models of patient care at Vanguard, as he has done his entire career. “We will try to move our goals forward, but legislative change always takes time.” ▲

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