

EDITORIAL: Local physicians try to fix health care

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Gov. John Hickenlooper (left) with PeakMed founder Dr. Mark Tomasulo.

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Health care providers and patients should be done waiting on politicians to solve the health care crisis, which cannot be fixed with a magic federal law.

Former President Barack Obama's Affordable Care Act flooded the market with insurance, not care. The result is rationing with high deductibles and co-pays. Colorado and other states have neglected roads and schools to subsidize expansion of Medicaid insurance, which also is not care.

Politicians don't get it and continue talking about insurance distribution schemes as the means of fixing a health care industry that provides too little care at too high a cost. More insurance chasing a fixed supply of old-school health care does nothing but create an inflated currency of insurance certificates with nominal value.

Innovative disruption provides the best hope of an affordable, accessible and diversified health care market the world will envy. There is no legislative shortcut.

Consider how entrepreneurs and investors saved us from another seemingly intractable consumer crisis. Energy innovation moved us from deadly foreign oil dependence to a domestic production boom that benefits Americans who need to transport themselves and heat and cool their offices and homes. More oil and gas, produced by private enterprise, has protected our economy, lowered overhead for consumers and businesses, and saved our country from the prospect of energy wars abroad.

Investors and entrepreneurs saw a problem, and they set about resolving it. They improved drilling techniques and the technology of hydraulic fracturing, ensuring a sustainable and affordable supply of oil and gas for generations to come as we transition to modern replacements.

We see a similar phenomenon sprouting in the health care sector. As we used to wait in line for expensive gasoline, we wait for expensive health care. This provides opportunity to prosper by resolving the dilemma.

PeakMed is just the latest example of a growing movement of health care providers breaking the mold of an outdated system.

Gazette business writer Wayne Heilman explained in an article Friday how the business began in 2014 with a single location in Colorado Springs. Dr. Mark Thomasulo founded PeakMed to give customers and health care providers a way around the expensive third-party payer model. In what providers call "direct medicine," patients become members of the business and pay monthly fees in return for routine care that involves no co-pays or deductibles.

"It is an exciting time to be in the health care space," Thomasulo said. "There is a lot of room for innovation and to practice family medicine in way that is conducive to having a relationship with the patient in a cost-effective, transparent model that provides better care at a lower cost."

PeakMed members are encouraged to buy high-deductible insurance plans to hedge against hospitalization, emergencies and surgeries. That was the original intent of medical insurance.

Adults under 65 pay \$79 for the service, while families pay between \$125 and \$283. That's about \$1,000 less than a standard health plan for a family with children. The company offers group rates for employers.

Because members are satisfied, PeakMed has grown within three years from the single location to three clinics in Colorado Springs and Englewood, with plans to open two more in the Springs and up to six in metro Denver within the next year.

The business will expand a fleet of Mini Coopers so PeakMed's doctors can make house calls for patients who have trouble getting to and from the clinics. It plans a mobile RV clinic that will take health care to locations of a division of Discover Goodwill.

Venture capitalists should see innovative health care as opportunity and help fuel the market's early movement toward reversing a crisis politicians have tried and failed to resolve.

If politicians want to help, they should encourage and assist this early-stage phenomenon of innovative disruption. Remove barriers to entry and establish grants for pioneering ventures so unique they may seem too risky to lenders. Visualize and encourage an entrepreneurial tipping point that revolutionizes health care for the benefit of all.

Americans are exceptional at solving big problems. Bet on the health care industry to heal itself, with or without the help of politicians.