

Dear Functional Medicine Discussion Group Members:

Once again, we had another great Functional Medicine Discussion Group meeting on May 25, 2017 with the amazing James Maskell on How to Build a Successful Functional Medicine Practice. If you were not able to attend, here's the video <https://youtu.be/5i5uZkshGX0>. We thank Metagenics, once again, for sponsoring the food and the venue, and for having supported our group since we started. Thanks to all our members who participated in the meeting. Our next meeting will be **Thursday, June 29** at 6:30 at the Santa Monica Library at 601 Santa Monica Blvd. and **Dr. Que Collins** will lead what should be a fascinating discussion on **Deuterium and Health**, a new facet of the Functional Medicine model. Please email me if you will be able to attend and place **Deuterium RSVP** in the subject line. I will send out the official invite in a week or so. If you are not already a member, please join our closed Facebook page, Functional Medicine Discussion Group of Santa Monica. Also, please check out my podcast, **Rational Wellness**, on Itunes <https://itunes.apple.com/us/podcast/rational-wellness-podcast/id1191232372?mt=2> or Youtube <https://youtu.be/GlqFBDVnawU>.

I then introduced James Maskell, who has become a leading figure in the Functional Medicine World. James has made himself an important figure in the field of Functional Medicine by creating a very successful education program, The Functional Forum, and writing *The Evolution of Medicine*, a best-selling book, which is dedicated to encouraging doctors to practice Functional Medicine, and helping functional Medicine practitioners to succeed.

James began by explaining that it is easy as a Functional Medicine practitioner to feel trodden down by the system. **But we as Functional Medicine practitioners need to start acting like we are winning because this is really the future of medicine and we are really the only ones who know how to deal with diabetes and heart disease and autoimmune disease in the way that we do. There is an unlimited number of sick people and we just need to organize ourselves better to get to people who need us.** So first we need to focus on community building.

There are three main areas of medicine that Functional Medicine has not done a good enough job with that if we can improve, then Functional Medicine can become an upgraded operating system for primary care medicine. As this new front line of health care, we can help to take more people out of the health care system that is an already overloaded specialist and hospital and primary care system that is under pressure now. The first thing that Functional Medicine is not efficient enough to serve the masses. James said that we all very proud of our 90 minute consultations and you should be proud of the fact that you are creating a real connection with your patient. But if it is an hour and a half appointment and you charge \$300 per hour, then you have already put yourself out of reach of what a significant portion of the public can afford to pay.

James then explained that we are currently in **Functional Medicine 2.0**. When we were in Functional medicine 1.0 there were not rules and everybody was doing something different and we were just trying to figure out what to do. Nobody knew how to run a practice and there were no best practices. Dr. Bob Roundtree tells a story that in 1980 there were literally no supplement companies and he literally had to take a bottle of herbs and scoop a certain amount out for a patient. We know have enough

infrastructure and there is tremendous demand—1,000,000 patients went to the Institute of Functional Medicine web site last year looking for a practitioner--so we have just passed over into Functional Medicine 2.0. And the IFM web site is not even that good. The demand is really growing in the last three years and there are now some best practices examples to look to from practitioners who have built successful practices so that we can copy their models. The pill model of medicine is easy to scale but the participatory model of care that we have is not as easy to scale.

The first thing that Functional Medicine practices need to get right is the **efficiency**. The first thing that we need to incorporate is the proper use of technology. If you are not using telemedicine, I can't understand why not. With how bad the traffic is in Los Angeles, to force people to come and park at your practice is abusive. If this is not the first visit and you are not laying hands on the patient and you are not taking insurance, then you don't even have to use the HIPPA compliant ZOOM. Another thing you should use is some sort of patient tracking between visits, such as Nudge Coach <https://nudgecoach.com/>. This is a way that you can see what patients are doing between visits in real time. How many times have you had an appointment where you gave a patient something to do and they have an appointment and they never show up. Because after two days they realized they never filled out their food diary and they felt embarrassed that they hadn't made any of the changes they had agreed to. With technology, you can increase the likelihood that they will follow through with these lifestyle changes.

To deliver care more efficiently, the provider team is important, especially the use of the less expensive health coaches. James said that the Functional Medicine trained health coach is the most valuable, dollar for dollar, person in the health care system. If you want to talk about value based care. If you have a doctor who is \$300 per hour and you have a health coach who is \$60 per hour, you can't tell me that the doctor is worth 5 times more than the health coach at getting results in a lifestyle related problem. James mentioned that he is not being biased against nutritionists and dieticians in favor of health coaches and they are free to play that role as being focused on helping patients with lifestyle changes. He also mentioned that it is a good idea to offer group visits, since if you have 20 patients even paying a \$20 copay, this is very affordable for patients and still allows you to get a reasonable fee. The patients benefit from this experience and often get a lot of peer support from other patients.

James mentioned the importance of patient education and explained that you should use videos when you can. Instead of explaining certain things over and over to patients, you can put it into a video.

With Functional Medicine 2.0 there are best practices emerging on how to have a sustainable way to continue bringing in new patients, and it's focused not on marketing but focused on community building. Marketing is a one on one event with someone, whereas community building is introducing people who want to be healthy to each other, as part of the process. He explained that if you give a talk and bring a bunch of people together in an event on the unknown causes of autoimmunity and you pay to put butts into seats through Facebook ads and it's going to work. It's 20 times more efficient than conventional marketing.

James explained that he was originally a sales rep for a muscle testing nutrition product and he got to meet and interview thousands of Functional Medicine doctors, so he started to figure out how these practices work and what these doctors need to succeed. So he started the Functional Forum to create a community of doctors and to provide a free educational experience. Then he created the Practice Accelerator to help these doctors succeed.

James also talked about the importance of bringing all of the alternative medical community together under the Functional Medicine umbrella and using the universal language of Functional Medicine, because if everyone is doing something completely different, then it's not scaleable. That was o.k. in the beginning, but not now. If we can't create a scaleable Functional Medicine platform, then treatment for the chronic disease epidemic instead of being delivered by us, the Functional Medicine community, it will be delivered by whatever Silicon Valley can dream up, which they are currently working on.

Dr. James asked how you make a membership model work, how you bring people into that model and what the framework is? James Maskell said that the one guy who knows how to do this better than anyone else is Thomas Blue and that's why he developed a course with him on how to set up a membership model practice. There are benefits of having a membership model. For one, you get guaranteed monthly income. Robin Berzin, Parsley Health, is in Mar Vista now, as well as New York and San Francisco, now has 1000 members paying \$150 per month, plus supplements. For that you get a 90 minute initial consultation with a doctor and 4 additional visits per year. The second visit is for 60 minutes and the following are for 30 minutes. These sessions can also be through telemedicine. Then you get up to 24 sessions with a health coach but the health coach visit is virtual and the coach is at a We Works virtual office to keep the overhead down. That's what is possible today.

<https://www.parsleyhealth.com/> James suggests we Functional Medicine docs partner with an entrepreneur, who can be the sales person.

Somebody asked how do you switch over to a membership model? You have to have a transition plan. You have to pick a date in the future when patients either have to sign up for the membership or they have to leave the practice and you have to deal with the emotional turmoil of giving up patients. You have to get the pricing right based on how much time you plan to spend with the patients and what your costs are and how many members you want and if you take the course with Tom Blue, they offer a calculator to figure out what this fee should be. Too low and you'll lose money and too much and no one will sign up. But it will likely take time and Robin Berzin took 4 years to get 400 patients to sign up for her monthly program in New York before she went out and opened offices in San Francisco and Los Angeles.

I asked why we couldn't just train a staff member to help do the sales instead of an entrepreneur and he said that that is o.k., but that you have to have a person who plays that role. What James has been doing with Functional Forum is to lower the barrier to entry to learn about Functional Medicine through a smart device, of which there are 6 billion. You can run a Functional Medicine practice through a laptop. With the book, we gave away 50,000 copies digitally when we did the launch in October, so we are lowering the cost of entry for learning how to build the type of practice that works, which for many is a micro-practice, so that you don't have a lot of overhead when you start. When you sell your

memberships, you can't tell them that paying you monthly is a benefit, because patients would rather not pay anything at all. They would rather just bring in their insurance card and pay nothing. What you are selling is the scarcity of your time. You can only take care of say, 400 patients, so you need to sign up because when we get to 400 members, we will not be able to accept anybody new.

James discussed Electronic Health Records and he said that this is really a mess, but of the software that Functional Medicine practitioners seem to like the best is MDHQ and Elation. He also mentioned using HINT software to help with the direct patient billing, which also interacts with Elation. <http://www-next.hint.com/> James said that if he were starting a practice today, he would definitely do a membership model and use HINT health, Elation, and use Spruce to facilitate patient communication. <https://www.sprucehealth.com/>

James also spoke about the benefits of using Facebook groups to bring patients together. He mentioned that Kelly Brogan said that patients in her Facebook group were getting better results than patients that came to see her and were paying \$5000 for.

James also announced his next program, Journey to 100, which will take place on the island of Gurnsey. Gurnsey has 60,000 residents and they have a 10 year project to make Gurnsey the first community in the world to pass Japan and Monaco and Norway in lifespan and break through the 100 year life expectancy barrier. They will record a show while they are there hosted by Dr. Rangan Chatterjee, a huge star in Europe, will host the conference program that will be broadcast on June 30. <http://journey100.gg/#home>

Then James talked a bit about **Functional Medicine 3.0**. In Functional Medicine 2.0 the consumer demand is higher and there started to be some best practices and there were some technologies had arrived to make practice more efficient. And you could have various profit centers in your practice and make some money on visits and supplements and labs (though not in California). But that might not be that cool in 3.0 where you will serve as a fiduciary for the patient who has a high deductible plan and does not know how to use it. That patient goes to see his PMD who recommends some labs, and then the lab bills the insurance and then the patient is billed \$1500 for a lab that would only cost \$150 if he paid cash to the lab. James asked, "what if we just helped the patients navigate that bullshit?" How much trust would you build up in the patient? Of course, you have to have a business model that allows you to get paid. But the new business model will incorporate transparency. "Ten years ago, did your patients ever know that you had 100% markup on supplements? Well Amazon came along and you got found out." And patients realized that they could get the same supplements for 50% less. James said that he thinks that trust will be a key commodity in practices of the future and Functional Medicine doctors are doing it for the right reasons, so we should be winning the trust game.

Functional Medicine 3.0 is Value based care. This is a simple math equation. What things are the most expensive? Drugs, like Humira, which costs about \$2000 per month. Time with specialists. The current fee for service model of paying doctors is not value based. It makes no sense to incentivize patients and doctors to get a heart stent put in by paying for that instead of paying for preventative services. Insurance pays for the most expensive procedures. How does a Functional Medicine practice provide

value? You need to have a structure that allows care to be given at a cost that most people can afford. You have the core, which is the provider care, but that is expensive. The next ring out is coaching, which is less expensive and focused on behavior care. The next ring out is community. This can create value without costing anything. You can offer group visits, which is very economical for the patient who only pays a small copay, but the doctor can still get paid due to the volume of patients being attended at one time. The final ring is content and some patients can get well simply with content, such as from reading your blogs or your book. As Functional Medicine practitioners we can be custodians of this value based care and deliver it efficiently to local communities.

See you all on June 29!