

ADMINISTRATIVE SERVICES FEE POLICY
Michiana Gastroenterology, Inc.
Effective March 1, 2023

Our practice has implemented a \$39.00 per visit fee (office visit, procedure, and in-office infusion) to cover the significant time spent providing administrative services not covered by federal, state, and private health insurance. Third-party insurance payors cover professional medical services and certain other included professional activities. There is no change in our current policy regarding co-payments, deductibles, etc. The office continues to operate as it has in the past simply with the addition of this required Administrative Services Fee. The office will continue to utilize your insurance.

Please know it is necessary to implement this new policy due to the continuing deterioration of the economics of managing an office-based independent subspecialty gastroenterology practice. Third-party payors, including Medicare, have not increased the fees paid to us in well over a decade. Over the last 15 years Medicare has decreased reimbursement for procedures by 33% and clinic visits have experienced an inflation-adjusted decrease of 4.9%. Other insurers have not adjusted reimbursement for inflation amidst rising costs of healthcare delivery. During that same period our office has experienced an 80% increase in overhead administrative expenses.

We have explored our options including a sale of the practice to private equity, or to increase our patient visits per day to combat the reduction in fees paid per visit. This would, in turn, decrease the amount of time we spend with our patients. Our desire and goal are to preserve our medical practice structure and culture, maintain independence, and keep our daily visits to a manageable level. This will enable us to protect and defend what has been important to us since we opened: which is to provide a high level of personalized, compassionate, and excellent gastroenterology care to our community.

The Administrative Services Fee you pay will allow us to maintain enough medical and non-medical staff needed to complete prescription refills, answer patient phone calls, provide onsite laboratory services, phone third-party payors to obtain medication, infusion, and imaging pre-authorizations, make follow-up calls, review and complete paperwork such as insurance forms, disclosures, procedure prior authorizations, and other government and employer forms. Administrative needs have increased significantly since the onset of the COVID-19 pandemic and are

putting a significant strain on our system. If it is demonstrated that your healthcare coverage includes separate payment for these administrative services, then we will make an adjustment to the fee, as needed.

If you find that this fee places you in financial hardship, please let us know so we can assess the appropriateness of this fee in your situation.

Please let us know if you have any questions regarding our Administrative Services Fee.