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Cut Rate

Doctors bid online for plastic surgery patients

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The auctioneer's gavel is IBM to drop.

"Have a bid of \$5,000 for a tummy tuck. Come on folks, can't we do any better for the little lady's abdominoplasty? Do I hear \$4,800? No?"

"So it's \$5,000. Going once, going twice, and sold!, to the surgeon in the third row"

An unlikely scenario?

Not online, where at least one bid-for-surgery Web site conducts auctions on cosmetic surgery. They're called reverse auctions because it is the seller of services - the doctor - placing the bid, not the buyer. In these auctions, the goal is to summon market pressure to move the price down, not up.

The prospect of having liposuction on the auction block has some plastic surgeons alarmed that price may be put ahead of all other considerations.

"Price has pushed itself into the examining room, turning the patient into a bargain-hunger and the surgeon into little more than a used car salesman," said Mokhtar Asaadi, a West Orange plastic surgeon who has been vocal in his opposition to this Internet fadlet.

It is dangerous and impractical for prospective patients to shop for surgery this way, Asaadi said. The final price may end up significantly higher if the doctor determines a different, more complicated procedure

[See CUT RATE, Page 501]

CUT RATE

CONTINUED FROM PAGE 45

Doctors bid online

is necessary once he views the patient, he added.

"Everybody's different. There's no one way to do these things," he said. "We have to see you. We can't tell you over the phone."

Plastic surgeons also like to get to know their patients to make sure they are not unrealistically seeking a miracle cure.

One internet company claims to have set up an auction system that takes all that into account. "We've had whole (professional) associations criticize us but none of them knew anything about the site," said David Puffer, chief operating officer for www.medicinonline.com, the company that launched the site in 2000.

Its doctors are screened before being allowed to bid, and prospective patients can read a four-page list of credentials before scheduling an appointment. Doctors must promise to provide a free face-to-face consultation, while patients must promise to go through the usual patient screening process. Until that takes place, Puffer said, "neither the patient nor the physician is contractually obligated to accept each other."

Internet users have grown accustomed to auctions for everything from vintage Barbie dolls to Depression ware crockery - but surgical procedures? Isn't that just too weird - and risky?

"There's nothing wrong with it. It actually improves the quality of the goods and services delivered," said Cato Institute think-tanker Tom Miller, who advocates fixing the health-insurance crisis by making consumers more aware of the true cost of care. The auction concept can work for a tummy tuck because unlike an appendectomy, it isn't covered by health insurance. There is no large insurance company negotiating fees with a large block of doctors. That means price is more elastic; there is room to maneuver for both patient and provider.

As a result, Miller said, the unfettered pressures of supply and demand have kept prices down. In

the decade 1992-2001, the cost of medical services rose 47 percent, the Consumer Price Index of inflation rose 26 percent, while the cost of cosmetic surgery rose 16 percent.

"It's a subset of health care that operates like a real marketplace," said Miller, director of health policy studies for the Institute.

Puffer's bite has patients choose the procedure they desire, type in a location, and fill out a basic health questionnaire. Auctions are also conducted for LASIK eye surgeon, cosmetic dentistry and podiatric surgery.

Participating surgeons then have 72 hours in which to "bid" on the procedure.

In this case, the price descends, instead of rises, as doctors try to capture the business of the online consumer. The identity of the bidding doctors is not visible at this stage, to either the patient or to fellow bidders.

Once the bids are in, the patient receives the names and credentials of the bidding doctors and has seven days to contact any of them

to schedule a mandatory, free consultation. Either side can back out. Puffer says the site has about 400 auctions underway at any given time. It has 500 or so participating surgeons, he said, including some from New Jersey. However, he did not respond to numerous requests for more specifics about the num-bee of New Jersey doctors on his site.

Two test auctions produce some bids - but none from New Jersey.

A request for an abdominoplasty - a tummy tuck - within 75 miles of a Sussex County zip code produced three bids immediately: two from Manhattan and one from Croton-on-Hudson. Another request for BOTOX® injections, this time using a Morris Plains zip code and a travel limit of 25 miles, failed to elicit any bids. The tummy tuck kids ranged from \$3,500 to \$6,000; although the difference was narrowed once clearly defined fees for anesthesiologist and facilities were added. The resulting bids ranged from \$5,855 to \$6,655.

Plastic surgeons typically screen patients carefully because some have such unreasonable expectations or such dysfunctional body image that they are bound to be unhappy with any surgical results. Patients can back out if they don't like the doctor, or if an examination turns up factors that boost the bid price.

The medicine online patient questionnaire specifically asks if the patient has suffered a divorce or loss within the recent past. If the surgery takes place, the patient pays the Web site a transaction fee of 5 percent for cheaper operations and 2 percent for the more expensive ones, or \$20 to \$95. The doctors are not charged to participate because to accept money from them would constitute fee-splitting a violation of professional ethics, Puffer said.

He added that a survey of bidding results shows that online patients usually avoid both the highest and the lowest bid.

"You know what happens? They end up mating their decision based on credentials, not price," he said.

But surgery is different from other commodities, said Richard Greco, a Savannah, Ga., plastic surgeon who is chair of the public education committee of the American Society of Plastic Surgeons.

"It's not like you're buying a car on eBay. With a car, you can always sell it if you don't like it," he said. "With surgery, you always have to think of the worst-case scenario. You don't want to look back and say, 'Geez, I never should've done anything so stupid.'" Asaadi said by far the best way to pick a plastic surgeon is to ask friends and family for recommendations. Fully 95 percent of his patients come from word-of-mouth. "The best referral is your friends," he said.

While price has to enter into the patient's decision eventually, Greco recommends doing some comparison shopping in your area, finding a few surgeons you're comfortable with, and only then talk price.

"If price is the most important thing, they can go down to Costa Rica and have it done by someone with a high-school education at one-third the cost," Greco said.

"If price is going to be your only consideration, you're in big trouble," said Asaadi.

On the money

There are other ways beyond the Internet to negotiate the price of cosmetic surgery:

- Don't try to get a price over the phone. Sight unseen, the best a doctor can do is to give a range for each procedure. Your individual needs may mean more - or less - work than the average operation. No discussion of price is really meaningful until after a face-to-face consultation.
- Feel uncomfortable talking about money with your doctor? Try emailing him later.
- Explain your financial circumstances. Richard Greco, the Savannah-based surgeon, routinely offers discounts to military families in his area.
- Offer to have your work done during the slow season for plastic surgery - late August through September. Teachers, college students, and mothers are reluctant to go under the knife at the start of the school year. Their absence from the marketplace means surgeons may be more receptive to lowering their prices temporarily to keep business rolling.
- If you are thinking of having two procedures, schedule them together. The single use of anesthesiologist and operating room saves on those two fees.
- If you intend to visit relatives in a different region of the country, consider having your surgery there. Years ago, Greco charged \$5,000 for a facelift when practicing in Pittsburgh. When he moved to Savannah, his fees dropped to \$3,500 for the same procedure.
- Let the doctor - or his business manager - know the results of your comparison shopping. But if it turns out the surgeon has a 12-month waiting list, don't expect any cut in fees.

- Kathleen O'Brien