

# To Stay Afloat in the Pandemic, Doctors' Offices Turn to GoFundMe

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*Editor's note: Find the latest COVID-19 news and guidance in Medscape's [Coronavirus Resource Center](#).*

A few weeks ago, I received an unsettling email. The staff at my daughter's pediatrician's office — a family-run private practice in Brooklyn that serves more than 3,800 patients — was shifting to part time. The practice had applied for the Small Business Administration's [Paycheck Protection Program](#), meant to help small businesses weather the economic turmoil brought by the Covid-19 pandemic. But the money wasn't coming, at least in the initial round of funding.

"To be honest and frank, we are exhausted," wrote Matteo Trisolini, the operations director at South Slope Pediatrics. The pandemic had taken its toll on office morale and "we have seen a loss of revenue that came with fewer visits and still high bills to pay."

The next day, Trisolini sent another email. At the urging of some of the other parents whose children are with the practice, he had set up two GoFundMe campaigns: one to help support the staff and another to help cover appointments and bills for families who had lost their jobs — and their health insurance — thanks to the pandemic. I donated. It felt dystopian, to say the least. How had this happened?

"I never thought I'd have to do that as a medical office. Never," Hai Cao, the owner and founding doctor at South Slope Pediatrics — and my daughter's pediatrician — told me later, in an interview over Zoom.

It's not news that New York City has been hard hit with Covid-19. Some of the disease's effects on the city's health care system have been immediate and obvious: overflowing emergency rooms, shortages of protective gear, makeshift morgues, and confusing and changing rules over childbirth and other necessary non-Covid-19 hospital visits. Across the world, similar patterns have unfolded as SARS-CoV-2, the coronavirus that causes the disease, has established and spread.

But what was happening at South Slope Pediatrics felt different — a signal of another health care crisis waiting for us somewhere in the murky post-Covid-19 future. What did it mean for all the other small practices, not just in Brooklyn, but everywhere?

Medical crowdfunding isn't new, of course. GoFundMe, the most popular platform for raising money for health care, says it hosts more than 250,000 medical campaigns every year, mostly for people who need help paying astronomical medical bills.

But now that the Covid-19 pandemic is here, there are also new types of medical fundraisers — for everything from masks and intensive care equipment to food and coffee for frontline hospital staff. Then there's the new wave of campaigns for small offices like South Slope Pediatrics. They're happening across the country, from primary care physicians in New York to pediatricians in California to family doctors in Texas to optometrists in Maine to dentists in Colorado.

When I asked Thomas D'Aunno, professor of management at New York University's Wagner Graduate School of Public Service, about medical offices turning to crowdfunding, he said: "In my 40-year career in this field, this is a first. Without a doubt."

That Covid-19 is putting small medical practices, which are more financially vulnerable than consolidated practices and those at big hospitals, in such a precarious position doesn't bode well for the future of health care in the United States. "I think the use of GoFundMe to pay for medical care is obscene and signifies how deeply broken our medical system is," said Stephanie Woolhandler, a distinguished professor in public health and health policy at City University of New York, Hunter College. "It's broken if patients have to use it, and it's broken if doctors have to use it."

Many more small practices are [struggling](#) behind the scenes. And these small practices — already on the ropes thanks to economic pressures that pre-date the pandemic — play a key role in our health care system. They are often in the neighborhoods that they serve, which means they are easier to access on a day-to-day basis. They typically provide primary care — they are the first doctors we see when we are sick and the doctors who monitor us on a regular basis to make sure we stay healthy.

Small practices also provide a level of personal interaction that so often feels missing in modern medicine — and in modern life in general. Before the pandemic, I'd walk by South Slope Pediatrics on my way to the gym; I'd sometimes see the staff in the neighborhood on their lunch breaks. And Cao and Trisolini, who are married, are adoptive parents like me. During office visits, Cao weaves anecdotes about their own adoption milestones as he asks about my daughter's development, gently checks her over, and answers my endless lists of questions.

Losing that wouldn't just be a problem for my family's health. It would give me the same ineffable sensation as when I see a favorite local restaurant shuttered, or a quirky shop replaced with a bank — a piece of a community gone forever.

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In a recent article in the [Atlantic](#), journalist Derek Thompson described a David-versus-Goliath battle between big and small businesses in America. Covid-19, he suggested, has not been an equalizing force. "It's a toxin for underdogs," he wrote, "and a steroid for many giants."

"Who will emerge intact from the pandemic purgatory, and who will not?" Thompson asked. He was squinting at our future commercial landscape, particularly for cities. The outlook isn't great. Leaving aside grocery stores, only a third of small businesses expect they'll still exist if the pandemic lasts six months, according to a [working paper](#) published by the National Bureau of Economic Research in April. Thompson argues that, at least in the short term, cities will get more boring and homogenous as mom-and-pop shops and small restaurants are replaced by big companies and chains.

Thompson doesn't address health care, but his point applies there, too. The data from the NBER report aren't so granular that they cover small pediatrician offices or family practices.

But the report does include survey data from 449 small businesses that relate to health care, less than half of whom said they'll be in business if the Covid-19 crisis lasts four months. For six months, the number drops to 35 percent. And according to a [briefing](#) given to Capitol Hill staffers by the American Academy of Family Physicians and others at the end of last month, about 11 percent of primary care offices will close in the next few weeks without financial assistance.

The situation at South Slope Pediatrics illustrates why small practices are at risk. Cao and Trisolini opened the office in 2012 with 275 patients. "It's a pop-and-pop shop," Trisolini told me. Cao, who had been in a larger practice, was seeking more personal relationships with his patients, while Trisolini, who previously worked in photography and fashion, wanted to work in a field that felt more compatible with parenthood. The goal was never to create a big business or even a chain of pediatrician offices, they said, but to run a small, community-based practice.

Today, the practice has 3,843 patients and 13 employees on payroll, including four doctors, three nurses, and administrative staff. The monthly overhead is between \$200,000 and \$300,000 for key expenses like payroll, rent, and a supply of vaccines. "Living in New York is not easy, it's not cheap," Cao said. "We pay higher rent and we have to pay our employees more because they pay higher rent."

In order to pay that rent, South Slope Pediatrics relies on patient visits. The money comes from insurance companies and co-pays, and it depends on those in-person encounters. Before the Covid-19 pandemic began, Cao's office typically saw about 80 patients a day — a mix of well visits and vaccinations and sick visits — and aimed to keep patients no more than five minutes in the waiting room. At the end of the typical year, the practice is able to put aside about two weeks of total operating expenses as a cushion.

In March, the office had to rethink day-to-day operations. They shifted all well-visits that didn't involve vaccinations to telemedicine. They cleared toys and books from the waiting room. They scheduled necessary appointments so no one was waiting for even a minute, allowing just one family to check in at a time.

Cao and Trisolini say they did this, in part, to make the office safer for newborns and infants who must come in person for vaccinations and check-ups. For newborns, this has been particularly important. Because of Covid-19, New York hospitals are often discharging new parents and babies just 24 hours after delivery. (In order to catch illnesses and other problems, the American Academy of Pediatrics normally [recommends](#) a hospital stay of 48 hours for vaginal births and 96 hours for cesarean sections.)

Despite these safety measures, after Covid-19 struck, "we saw a storm of cancellations, a storm of no shows," Trisolini told me. Appointments dropped to between 15 and 20 per day. Some newborns and infants did arrive for vaccinations, but those don't bring in much money because the office doesn't mark up the shots. The office was able to schedule some telemedicine visits, but insurance companies don't always pay as much for those.

And many families temporarily left the city, which means they won't be in even for necessary well visits. (I'm one of them. In order to get help from family with childcare while my spouse and I work from home, among other things, we left Brooklyn on March 12 — before the [travel restrictions](#) — for upstate New York. We thought it would be short-term, but we're still here and had to make appointments for wellness checks and vaccines with a local pediatrician.)

The practice applied for the Paycheck Protection Program as soon as possible, but on April 17, Cao received an email from his bank explaining that the initial round of funding had already been exhausted. Cao and Trisolini told me that they later learned the bank hadn't had time to even send their application. "That is when I thought, this is how it ends," Trisolini said. That led to the email about the practice cutting hours as well as the patient-led push for the GoFundMe campaigns.

The story is the same even for practices that have been around much longer. Bent Tree Family Physicians — which has a GoFundMe campaign that a patient launched when the office's initial Paycheck Protection Program application was declined — opened in Frisco, Texas in 1987. Today, the practice has 85 employees and serves 30,000 people across North Texas. But Guy Culpepper, a family physician and the practice's founder, said their overhead is between \$400,000 and \$500,000 a month. By the end of the year, he added, they have enough to cover just one month of operations for the following year and "we always need a line of credit."

"It's not that different from someone running a mom-and-pop restaurant or busting their ass as an electrician or plumber," Culpepper said. "The only difference is that the younger doctors are also still paying off \$500,000 of debt."

"We need to change the model at a national level," he added.

Small private practices like Cao's and Culpepper's have been [disappearing from the medical landscape for decades](#). During that time, they have sold to larger hospital systems or private equity groups, or have joined together to form consolidated practices, said D'Aunno. Bigger groups have more negotiating power with the insurance companies, which means they can bring in more money and the margins are better. And they also have access to other resources and infrastructure, including social workers and support from big information technology and billing departments.

While larger groups are also under financial strain right now — there are even GoFundMe campaigns for staff from major hospital systems, which have seen [massive furloughs](#) — they tend to have deeper pockets, which means they have a better chance of coming out of the pandemic more or less intact.

"They can borrow money, or have large reserves," Woolhandler said. Some have multi-billion-dollar endowments. Many hospital systems — particularly those with a high number of patients who are privately insured and don't rely too heavily on Medicare and Medicaid — have surpluses thanks to lucrative procedures such as elective surgeries and diagnostic tests. Some of those hospitals are doing so well, they're eyeing private practices even now. Culpepper told me that several approached him about selling his practice after the GoFundMe campaign went up, like "vultures circling over us."

**I'm even more concerned that crowdfunding could exacerbate existing health disparities.** Nora Kenworthy, associate professor of public health, University of Washington Bothell

Meanwhile, the private offices popping up on GoFundMe — pediatricians, family practices, even dentists and optometrists — provide basic care that simply doesn't bring in much money. But that care is vital. Specialties like these "are on the front lines of keeping people healthy," said D'Aunno.

What will we lose if Covid-19 accelerates the decline of the private practice? The quality of health care isn't necessarily better compared to bigger groups, [although the research](#) is mixed. But many of the doctors at private practices will get gobbled up by the hungry maws of consolidation.

As that happens, Woolhandler said, [research shows](#) that the cost for patients and taxpayers will rise, in part because those bigger groups have more bargaining power with the insurance companies and can get better deals, which may translate to higher co-pays, deductibles, and employer premiums. Many people also simply prefer smaller practices — they like knowing all the staff, and not getting bounced through a complicated and anonymous third-party message service just to leave a voicemail.

D'Aunno agreed, and also pointed out other big losses. Not every doctor at a small practice will necessarily get hired by a bigger practice or hospital, he said, which could lead to an overall dip in primary care physicians. Plus, small practices like Cao's provide access that larger practices and hospital systems simply don't: They are closer to the people who need them. These practices are also more likely to speak the same languages as those in their community, know the specifics of the culture, and provide access to patients who may not be able to participate in telemedicine, D'Aunno added.

Many of these community-based practices may be well-placed to succeed at GoFundMe campaigns — South Slope Pediatrics has raised more than \$25,000 for staff and more than \$7,800 to cover the kids whose parents lost their jobs, while Bent Tree Physicians in Texas raised nearly \$96,000. But these offices serve well-off communities.

According to Nora Kenworthy, an associate professor of public health at the University of Washington Bothell, [90 percent](#) of GoFundMe campaigns for individual medical bills don't succeed. Those that do, she said, are usually launched by people who are well-connected in terms of money, resources, and education. When it comes to doctor's offices, she added: "I'm even more concerned that crowdfunding could exacerbate existing health disparities. We already have vast differences in accessibility, with Medicare and Medicaid. If crowdfunding is used by communities to help specific offices — which communities get that funding?"

At the Atlantic, Thompson argued that the loss of small businesses — particularly in cities, and particularly mom-and-pops, restaurants, and other unique places that contribute to the unique character of a neighborhood — will make certain high-priced urban centers like New York less appealing to newcomers and encourage more residents to move out. But he concluded by describing a phoenix-from-the-ashes scenario: "The near death of the American city will also be its rebirth," he wrote. "When rents fall, mom-and-pop stores will rise again — America will need them."

By the time that opportunity comes for private medical offices, it may be too late. While new shops and restaurants may open in the future, doctors could have trouble doing the same, particularly if there is more consolidation in the medical field in the meantime. With such thin margins, even extra funding only moves the problem from now to the near future.

Last week, Bent Tree Family Physicians got approval through the latest round of the Paycheck Protection Program, and between that and the GoFundMe, Culpepper said they'll have just two to three months before they need patients to come back to survive.

This week, Trisolini told me that South Slope Pediatrics also received the federal funding, and between that and the GoFundMe, they have about two-and-a-half months of extra runway. They'll be able to reinstate the staff at full time starting this week. But, Trisolini added, they don't expect visits to jump back to 80 a day within that timeframe, since it will likely take much longer for the pandemic to wane. To be sustainable, the office needs to bring in about 60 patients a day, he said. "I would pay the bills and I won't make a dime as a profit. But it will keep me alive."

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