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SENATE BILL NO. 800

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Senator Barker
on February 6, 2017)

(Patron Prior to Substitute—Senator Stanley)

A *BILL to amend the Code of Virginia by adding in Chapter 29 of Title 54.1 an article numbered 10, consisting of sections numbered 54.1-2997 and 54.1-2998, relating to direct primary care agreements.*

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 29 of Title 54.1 an article numbered 10, consisting of sections numbered 54.1-2997 and 54.1-2998, as follows:

Article 10.

Direct Primary Care Agreements.

§ 54.1-2997. Direct primary care agreements.

A. A direct agreement between a patient, the patient's legal representative, or the patient's employer and a health care provider for ongoing primary care services in exchange for the payment of a monthly periodic fee, referred to in this article as a direct primary care agreement, is not health insurance or a health maintenance organization, provided that the health care provider does not require patients to pay monthly periodic fees prior to initiation of the direct agreement coverage period. A health care provider who participates in a direct primary care practice may participate in a health insurance carrier network so long as the provider is willing and able to meet the terms and conditions of network membership set by the health insurance carrier.

B. The provisions of this article shall not apply to contracts entered into prior to March 1, 2017.

§ 54.1-2998. Direct primary care agreement requirements; disclosures; disclaimer.

A. Every direct primary care agreement shall include the following disclaimer: "This agreement does not provide comprehensive health insurance coverage. It provides only the provision of primary care as specifically described in this agreement."

B. A direct primary care practice shall make the following written information available to prospective direct primary care patients by prominently disclosing in marketing materials and retainer medical agreements that:

1. The direct primary care agreement is not insurance;

2. The direct primary care practice provides only the limited scope of primary care specified in the direct primary care agreement;

3. A patient is required to pay for all services provided by the direct primary care practice that are not specified in the direct primary care agreement; and

4. The agreement standing alone does not satisfy the health benefit requirements as established in 80 the federal Patient Protection and Affordable Care Act (P.L. 111-148), as amended.

C. A direct primary care agreement (i) shall not be entered into with a group of subscribers and (ii) shall be signed by the individual direct patient who is a party to the direct primary care agreement. Nothing in this subsection prohibits the presentation of marketing materials to groups of potential direct primary care patients.

D. A comprehensive disclosure statement shall be distributed to all direct primary care patients with their participation forms. Such disclosure shall (i) inform the direct primary care patients of their financial rights and responsibilities to the direct primary care practice as provided for in this article, (ii) encourage direct primary care patients to obtain and maintain insurance for services not provided by the direct primary care practice, and (iii) state that the direct primary care practice will not bill a health carrier for services covered under the direct primary care agreement.