

## Department of Planning and Budget 2017 Fiscal Impact Statement

**1. Bill Number:** HB2053

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

**2. Patron:** Landes

**3. Committee:** Commerce and Labor

**4. Title:** Direct primary care agreements.

**5. Summary:** Provides that the Commonwealth's insurance laws do not apply to direct primary care agreements. The measure further provides that (i) a direct primary care practice is not subject to the jurisdiction of the State Corporation Commission (SCC) and is not required to obtain a certificate of authority or license to market, sell, or offer to sell a direct primary care agreement; (ii) entering into a direct primary care agreement shall not be considered to be engaging in the business of insurance; and (iii) a direct primary care agreement is not a contract of insurance and is not subject to regulation by the SCC. The bill defines a direct primary care agreement as an agreement entered into between a health care provider and an individual patient under which the provider charges a predetermined fee as consideration for providing primary care to the patient, subject to certain conditions. A direct primary care practice is prohibited from submitting a claim to an insurer with respect to services provided to direct primary care patients covered by their direct primary care agreement, unless the services are outside the scope of the agreement. The measure provides that a willful or intentional violation constitutes an act of unprofessional conduct punishable by the Board of Medicine.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary; See Item 8 below.

**8. Fiscal Implications:** According to the State Corporation Commission and the Department of Health Professions, the bill has no state fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission and the Department of Health Professions

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

Date: January 18, 2017

File: 2017/EFIS/Posted/HB2053