

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: HB2053-H1

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 or the employer of a patient on behalf of such patient under which the provider charges a predetermined fee as consideration for providing primary care to the patient, subject to certain conditions. 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 27, 2017

File: 2017/EFIS/Posted/HB2053H1