

State Corporation Commission

2016 Fiscal Impact Statement

1. Bill Number: SB627

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Stanley

3. Committee: Commerce and Labor

4. Title: Direct primary care agreements.

5. Summary: Direct primary care agreements. 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 be 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.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: House Bill 685 is identical to Senate Bill 627.

Date: 01/21/16/V. Tompkins

cc: Secretary of Health and Human Resources