

House Bill 1945
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Chapter 162, Occupations Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. DIRECT PRIMARY CARE

Sec. 162.251. DEFINITIONS. In this subchapter:

(1) "Direct fee" means a fee charged by a physician to a patient or a patient's designee for primary medical care services provided by, or to be provided by, the physician to the patient. The term includes a fee in any form, including a:

(A) monthly retainer;

(B) membership fee;

(C) subscription fee;

(D) fee paid under a medical service agreement; or

(E) fee for a service, visit, or episode of care.

(2) "Direct primary care" means a primary medical care service provided by a physician to a patient in return for payment in accordance with a direct fee.

(3) "Medical service agreement" means a signed written agreement under which a physician agrees to provide direct primary care services for a patient in exchange for a direct fee for a period of time that is entered into by the physician and:

(A) the patient;

(B) the patient's legal representative, guardian, or employer on behalf of the patient; or

(C) the patient's legal representative's or guardian's employer on behalf of the patient.

(4) "Physician" includes a professional association or professional limited liability company owned entirely by an individual licensed under this subtitle.

(5) "Primary medical care service" means a routine or general health care service of the type provided at the time a patient seeks preventive care or first seeks health care services for a specific health concern, is a patient's main source for regular

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health care services, and includes:

(A) promoting and maintaining mental and physical health and wellness;

(B) preventing disease;

(C) screening, diagnosing, and treating acute or chronic conditions caused by disease, injury, or illness;

(D) providing patient counseling and education; and

(E) providing a broad spectrum of preventive and curative health care over a period of time.

Sec. 162.252. APPLICABILITY OF SUBCHAPTER. This subchapter does not apply to workers' compensation insurance coverage as defined by Section 401.011, Labor Code.

Sec. 162.253. DIRECT PRIMARY CARE NOT INSURANCE. (a) A physician providing direct primary care is not an insurer or health maintenance organization, and the physician is not subject to regulation by the Texas Department of Insurance for the direct primary care.

(b) A medical service agreement is not health or accident insurance or coverage under Title 8, Insurance Code, and is not subject to regulation by the Texas Department of Insurance.

(c) A physician is not required to obtain a certificate of authority under the Insurance Code to market, sell, or offer a medical service agreement or provide direct primary care.

(d) A physician providing direct primary care does not violate Section 1204.055, Insurance Code.

Sec. 162.254. BILLING INSURER OR HEALTH MAINTENANCE ORGANIZATION PROHIBITED. A physician may not bill an insurer or health maintenance organization for direct primary care that is paid under a medical service agreement.

Sec. 162.255. INTERFERENCE PROHIBITED. (a) The

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board or another state agency may not prohibit, interfere with, initiate a legal or administrative proceeding against, or impose a fine or penalty against:

(1) a physician solely because the physician provides direct primary care; or

(2) a person solely because the person pays a direct fee for direct primary care.

(b) A health insurer, health maintenance organization, or health care provider as that term is defined by Section 105.001 may not prohibit, interfere with, or initiate a legal proceeding against:

(1) a physician solely because the physician provides direct primary care; or

(2) a person solely because the person pays a direct fee for direct primary care.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

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Sec. 162.256. REQUIRED DISCLOSURE. A physician providing direct primary care shall provide written or electronic notice to the patient that a medical service agreement for direct primary care is not insurance, prior to entering into the agreement. [FA1]

SECTION 2. Same as House version.

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