

A BILL TO BE ENTITLED

AN ACT

relating to the inclusion of direct primary care fees as qualified medical expenses applied toward insurance deductibles in certain state health benefit plans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 1551, Insurance Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. DIRECT PRIMARY CARE SERVICES

Sec. 1551.501. 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. The term include telemedicine medical services and telehealth services, as those terms are defined by Section 111.001, Occupations Code, provided using a technology platform.

1       Sec. 1551.502. INCLUSION OF DIRECT PRIMARY CARE FEES AS  
2 QUALIFIED MEDICAL EXPENSES. (a) Direct fees paid to a direct  
3 primary care provider shall apply to the deductible of a  
4 participant enrolled in the basic coverage provided under the  
5 Employees Retirement System of Texas.

6       (b) The board of trustees shall adopt rules necessary to  
7 implement this section.

8       SECTION 2. Chapter 1575, Insurance Code, is amended by  
9 adding Subchapter L to read as follows:

10               SUBCHAPTER L. DIRECT PRIMARY CARE SERVICES

11       Sec. 1575.601. DEFINITIONS. In this subchapter:

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

16               (A) monthly retainer;

17               (B) membership fee;

18               (C) subscription fee;

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

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

21       (2) "Direct primary care" means a primary medical care  
22 service provided by a physician to a patient in return for payment  
23 in accordance with a direct fee. The term include telemedicine  
24 medical services and telehealth services, as those terms are  
25 defined by Section 111.001, Occupations Code, provided using a  
26 technology platform.

27       Sec. 1575.602. INCLUSION OF DIRECT PRIMARY CARE FEES AS

1 QUALIFIED MEDICAL EXPENSES. (a) Direct fees paid to a direct  
2 primary care provider shall apply to the deductible of a  
3 participant enrolled in the basic coverage provided under the  
4 Teacher Retirement System of Texas.

5 (b) The trustee shall adopt rules necessary to implement  
6 this section.

7 SECTION 3. This Act applies only to a health benefit plan  
8 delivered, issued for delivery, or renewed on or after January 1,  
9 2026.

10 SECTION 4. This Act takes effect September 1, 2025.