

By: Bonnen of Galveston, Simpson, Fallon,
et al.

H.B. No. 1945

A BILL TO BE ENTITLED

AN ACT

relating to the provision of direct primary care.

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

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:

1 (A) the patient;

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

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

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

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

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

16 (B) preventing disease;

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

19 (D) providing patient counseling and education;
20 and

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

23 Sec. 162.252. APPLICABILITY OF SUBCHAPTER. This subchapter
24 does not apply to workers' compensation insurance coverage as
25 defined by Section [401.011](#), Labor Code.

26 Sec. 162.253. DIRECT PRIMARY CARE NOT INSURANCE. (a) A
27 physician providing direct primary care is not an insurer or health

1 maintenance organization, and the physician is not subject to
2 regulation by the Texas Department of Insurance for the direct
3 primary care.

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

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

10 (d) A physician providing direct primary care does not
11 violate Section [1204.055](#), Insurance Code.

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

16 Sec. 162.255. INTERFERENCE PROHIBITED. (a) The board or
17 another state agency may not prohibit, interfere with, initiate a
18 legal or administrative proceeding against, or impose a fine or
19 penalty against:

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

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

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

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

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

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