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## WISCONSIN LEGISLATIVE COUNCIL

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### MEETING MINUTES

#### STUDY COMMITTEE ON DIRECT PRIMARY CARE

Room 412 East  
State Capitol  
Madison, WI

July 24, 2018  
10:00 a.m. – 3:04 p.m.

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#### Call to Order and Roll Call

Chair Darling called the meeting to order. A quorum was determined to be present.

COMMITTEE MEMBERS  
PRESENT:

Sen. Alberta Darling, Chair; Rep. John Nygren, Vice-Chair; Sen. Tom Tiffany; Reps. Mary Felzkowski and Debra Kolste; and Public Members Greg Banaszynski, Coreen Dicus-Johnson, Suzanne Gehl, Maureen McNally, Tim Murray, Mark Rakowski, Elizabeth Trowbridge, and Bob Van Meeteren.

COMMITTEE MEMBERS  
EXCUSED:

Sen. LaTonya Johnson.

COUNCIL STAFF PRESENT:

Terry C. Anderson, Director; Jessica Karls-Ruplinger, Deputy Director; Brian Larson, Senior Staff Attorney; Andrea Brauer, Staff Attorney; and Julie Learned, Support Staff.

APPEARANCES:

Terry C. Anderson, Director, Legislative Council Staff; Dr. Steve Bondow (MD), Direct Primary Care (DPC) Physician, BondowMD Direct, Delafield, WI; Dr. Philip Eskew (DO, JD, MBA), DPC Physician and Attorney, Corizon Health, DPC Frontier, Proactive MD, DPC Coalition, Torrington, WY; Dr. Joshua Umbehrr (MD), DPC Physician, Atlas MD Concierge Family Practice and Atlas CRM, LLC, Bel Aire, KS; Donna Friedsam, Health Policy Programs Director, University of Wisconsin (UW) Population Health Institute and Distinguished Researcher, Population Health Sciences; Sam Austin, Evidence-Based Health Policy Project

APPEARANCES (CONT.): Managing Director and Health Policy Analyst, UW Population Health Institute; George Quinn, Executive Director, Wisconsin Council on Medical Education and Workforce; Elizabeth Hizmi, Legislative Liaison/Public Information Officer, Office of the Commissioner of Insurance (OCI); and Zach Bemis, Chief Legal Counsel, OCI.

## Opening Remarks

### Terry C. Anderson (Director, Legislative Council Staff)

Mr. Anderson welcomed committee members and thanked them for their service.

## Remarks of the Chair

### Introductory Remarks – Senator Alberta Darling

Chair Darling welcomed committee members to the study committee process, and encouraged them to feel free to ask questions. She expressed hope for a positive outcome. She described the possible outcomes that could emerge from the committee’s work – which may include creating legislative options for individual legislators to consider next session, or presenting bill drafts that may be introduced by the Joint Legislative Council, or both. At the chair’s invitation, committee members introduced themselves and provided brief explanations of their backgrounds and interest in the committee’s topic.

## Overview of DPC Model by DPC Provider Panel

Dr. Steve Bondow (DPC Physician, BondowMD Direct, Delafield, WI); Dr. Philip Eskew (DPC Physician and Attorney, Corizon Health, DPC Frontier, Proactive MD, DPC Coalition, Torrington, WY); and Dr. Joshua Umbehr (DPC Physician, Atlas MD Concierge Family Practice and Atlas CRM, LLC, Bel Aire, KS)

Following the remarks of Chair Darling, the committee heard from DPC providers. Each of the providers explained the structure of their DPC practice, which included services delivered through individual DPC agreements, arrangements with employer groups, and services to Medical Assistance (MA) patients and others. Dr. Bondow provided specifics about his practice in Delafield, Wisconsin. Drs. Umbehr and Eskew described their respective practices in Kansas and Wyoming.

The providers stated that they believe DPC would reduce physician burnout and that it would decrease incidences of costly emergency room and urgent care visits. All three providers asserted that costs for tests and procedures are significantly reduced under a DPC model. The providers stated that DPC does not replace insurance. They advise patients to obtain “wrap-around” coverage for procedures outside of DPC agreements.

## Overview of Committee Assignment

### Brian Larson, Senior Staff Attorney, and Andrea Brauer, Staff Attorney, Legislative Council Staff

Mr. Larson and Ms. Brauer presented background materials related to DPC and briefed the committee on the study assignment. After discussion of the assignment, staff identified potential perspectives for committee members to consider throughout the process. Perspectives could focus on: (1) the terms of the DPC agreement; (2) the effect of DPC on private insurance; (3) options for use of DPC in the MA context; or (4) options for use of DPC in the employer context. Staff described DPC laws in other states, which include provisions defining a DPC practice, generally clarifying that DPC is not regulated as an insurance arrangement, and creating additional regulations applicable to DPC practices and agreements regarding disclosures, referrals, consumer protection, and other issues.

### DPC and Health Insurance Market Overview

### Donna Friedsam (Health Policy Programs Director, UW Population Health Institute and Distinguished Researcher, Population Health Sciences); and Sam Austin (Evidence-Based Health Policy Project Managing Director and Health Policy Analyst, UW Population Health Institute)

The UW Population Health Institute researchers provided an overview of how DPC compares to the current insurance market. They described comparable cost factors for both DPC and insurance, and identified the limits of what can be drawn from the data given the current lack of comprehensive studies. Ms. Friedsam and Mr. Austin also pointed out that researchers and stakeholders who collect medical data often use insurance claims as health care measurements, so the committee may wish to require similar data collection in DPC.

### George Quinn (Executive Director, Wisconsin Council on Medical Education and Workforce)

Mr. Quinn presented information to committee members regarding the health care workforce in the state. He described potential impacts of DPC, which may exacerbate physician shortages in various locations in the state. Mr. Quinn also identified possible advantages due to reduced administrative workload and other aspects of DPC arrangements, but he stated that these efficiency gains may not offset other factors contributing to the workforce shortage.

### Presentation by the Office of the Commissioner of Insurance (OCI)

### Zach Bemis (Chief Legal Counsel) and Elizabeth Hizmi (Legislative Liaison/Public Information Officer), OCI

Mr. Bemis and Ms. Hizmi clarified that DPC is not insurance, but explained that DPC providers must be careful to avoid setting up practices that border on the definition of insurance. They explained various factors that must be taken into account in determining whether or not an activity in the private market, such as a DPC arrangement, may or may not be considered insurance, including risk distribution, payments, underwriting, and marketing. Mr. Bemis indicated that the DPC bill introduced in the Legislature last session would have explicitly

exempted DPC from standard insurance regulations; however, as indicated in earlier testimony, it would have also required other consumer protections outside of the current insurance code.

### **Committee Discussion and Plans for Future Meetings**

In discussion, the committee members identified topics to be addressed at future meetings, which included issues related to: patient safety, referral processes, transfer of records between DPC providers and others, practical considerations related to introduction of DPC into MA, DPC pilots in other states, the use of DPC by local governmental employers, and the use of DPC by private employers such as QuadGraphics/QuadMed. Chair Darling also indicated that she would request a presentation from Senator Kapenga and Representative Sanfelippo at an upcoming meeting, in order to discuss their bill from last session.

Chair Darling announced that the tentative date for the committee's next meeting is August 29.

### **Adjournment**

The meeting adjourned at 3:04 p.m.

BL:jal

[The preceding is a summary of the July 24, 2018 meeting of the Study Committee on Direct Primary Care, which was recorded by WisconsinEye. The video recording is available in the WisconsinEye archives at <http://www.wiseye.org/Video-Archive>.]