



# Study Committee on Direct Primary Care (DPC)

OPTIONS DISCUSSION AUG. 29, 2018

# Is DPC Insurance?

- ▶ Threshold question: is DPC insurance or not?
  - ▶ If not, what is DPC, and how should it be regulated?
- ▶ If no additional regulation is added, DPC practices would still be subject to:
  - ▶ Professional licensing standards of the DPC providers
  - ▶ General state laws on unfair and deceptive business practices
  - ▶ The terms of the DPC agreement

# Definition of DPC

- ▶ Who can provide DPC?
  - ▶ Any licensed health care provider?
  - ▶ Could allow team-based approach
- ▶ Who can purchase DPC?
  - ▶ Could allow employer-sponsored DPC
- ▶ How is “primary care” defined?
- ▶ Are there any other essential characteristics of DPC?
  - ▶ Fee arrangement – can DPC providers charge fee for service, or does it have to be a flat monthly fee?
  - ▶ Should there be limits to the patient panel size?
  - ▶ Do DPC providers have extra responsibilities related to care coordination and referrals?

# Essential Elements of the Agreement

- ▶ What needs to be identified in the DPC agreement?
  - ▶ The amount of the fee, and frequency of payments
  - ▶ Primary care services that are covered under the agreement
  - ▶ Duration of the agreement
- ▶ Who enters into the DPC agreement in a third party payer context?
  - ▶ If DPC is offered as part of an employer-provided health plan, is the agreement between the DPC provider and the employer, or between the DPC provider and the patient?
- ▶ Can the DPC provider bill third parties for services under the agreement?
  - ▶ If the statute generally prohibits DPC providers from billing third party payers, should it create an exception to allow employers to pay DPC enrollment fees on behalf of employees in connection with a health benefit?

# Required Disclosures

Should certain information have to be disclosed in the DPC agreement?

- ▶ DPC is not health insurance
- ▶ The patient will have to pay for services not covered under the agreement, and is encouraged to purchase wrap-around insurance
- ▶ Other information relating to how DPC interacts with insurance? For example:
  - ▶ DPC fees might not be credited toward cost-sharing under an insurance plan
  - ▶ Patients insured by ACA plans already have free coverage of certain preventive services
  - ▶ Patients generally can't (currently) use health savings accounts to pay DPC fees

# Acceptance or Discontinuation of Patients

- ▶ In accepting new patients...
  - ▶ How will it be determined that a DPC provider has the capacity to provide the amount, level, and type of primary care services required for each new patient?
  - ▶ Should the statute prevent a DPC provider from discriminating based on health status? (Model Legislation)
  - ▶ Age, citizenship status, color, disability, gender or gender identity, genetic information, existence of a preexisting medical condition, national origin, race, religion, sex, sexual orientation, or other protected class? (AB 798)
- ▶ In discontinuing an existing patient...
  - ▶ Should non-discrimination provisions apply? (Model Legislation)
  - ▶ Should it be prevented during the term of the agreement unless the patient defaults or the practice discontinues? (Model Legislation)
  - ▶ Should a DPC provider be required to provide notice and opportunity to obtain care from another provider? (Model legislation)

# Network Participation

- ▶ Should the statute create **mandatory** standards related to network participation of DPC providers, such as limitations on referrals and prescriptions for outside the network of a carrier with which they participate?
- ▶ Alternatively, should the statute create **optional** standards that a provider may choose to meet in relation to network participation?

# Administrative Oversight

- ▶ Currently, two state agencies are involved in regulating DPC providers:
  - ▶ DSPS and its licensing boards enforce professional standards
  - ▶ DATCP generally regulates unfair and deceptive business practices
- ▶ Should DSPS's or DATCP's role be expanded?
  - ▶ E.g., granting the Medical Examining Board authority to promulgate rules governing DPC practices in a team setting
- ▶ Is there a role for OCI or DHS?
  - ▶ Should DPC providers be required to register with OCI, for the purpose of tracking certain information about DPC practices?
  - ▶ Should OCI or DHS review DPC contracts to ensure compliance?
  - ▶ Should OCI or DHS have authority to investigate complaints related to DPC agreements?

# Administrative Oversight

## ▶ Agencies:

- ▶ Dept. of Safety and Professional Services (DSPS)
  - ▶ Regulates professional licensing and houses credentialing boards
- ▶ Dept. of Agriculture, Trade, and Consumer Protection (DATCP)
  - ▶ Regulates unfair and deceptive business practices
- ▶ Dept. of Health Services (DHS)
  - ▶ Collects healthcare information and evaluates outcomes; administers state Medicaid program
- ▶ Office of the Insurance Commissioner (OCI)
  - ▶ Regulates and licenses insurance providers: market regulation, policy review, and solvency

## ▶ Potential roles:

- ▶ Investigation
- ▶ Enforcement
- ▶ Setting standards by administrative rule
- ▶ Collecting information regarding DPC
- ▶ Reporting to the legislature or other parties
- ▶ Reviewing contracts