

HCS HB 769 -- DIRECT HEALTH CARE SERVICES

SPONSOR: Frederick

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Health and Mental Health Policy by a vote of 9 to 0. Voted "Do Pass with HCS" by the Select Committee on Social Services by a vote of 8 to 1.

This bill specifies that a medical retainer agreement is a contract between a physician and an individual patient or the individual patient's legal representative in which the physician agrees to provide certain health care services described in the agreement to the individual patient for an agreed-upon fee and period of time. A medical retainer agreement is not insurance, entering into a medical retainer agreement is not the business of insurance, and a physician or agent of a physician is not required to obtain a certificate of authority or license to market, sell, or offer to sell a medical retainer agreement.

To be considered a medical retainer agreement for the purposes of this section, the agreement must meet all of the following requirements:

- (1) Be in writing;
- (2) Be signed by the physician or agent of the physician and the individual patient or the individual patient's legal representative;
- (3) Allow either party to terminate the agreement on written notice to the other party;
- (4) Describe the specific health care services that are included in the agreement;
- (5) Specify the fee for the agreement;
- (6) Specify the period of time under the agreement;
- (7) Prominently state in writing that the agreement is not health insurance; and
- (8) Prohibit the physician, but not the patient, from billing an insurer or other third-party payer for the services provided under the agreement.

Any patient who enters into a medical retainer agreement under these provisions may use funds from his or her health savings

account (HSA), flexible spending arrangement (FSA), or health reimbursement arrangement (HRA), to pay the fees under the patient's medical retainer agreement, subject to any federal or state law regarding qualified expenditures from a HSA, FSA, or HRA. The employer of an employee with a HSA, FSA, or HRA may make contributions to the employee's HSA, FSA, or HRA to cover all or a portion of the agreed-upon fees under the employee's medical retainer agreement or the employer may pay the agreed-upon fees directly to the physician on behalf of the employee who is a party to the medical retainer agreement.

PROPOSERS: Supporters say that direct primary care ensures a relationship between physician and patient that does not involve an insurance company or the state or federal government. It provides a retainer based way for patients to gain access to primary care services in a community. The bill is a reestablishment of the patient and physician relationship that focuses in the health care of the patient. Direct primary care is very cost effective and produces substantial cost savings while also providing good health care. The goal of direct primary care is to help the patient and physician to come together and figure out what works best for the patient and the physician.

Testifying for the bill were Representative Frederick; Missouri State Medical Association; Missouri Association of Osteopathic Physicians And Surgeons; Missouri Academy of Family Physicians; Michael Stevenson, D.O.; Lori Brown; Jacob Stankus; Christy Rush; Dan Caldwell; Jennifer Powell; Wes Powell; Kelly Smith; and Darin Puppel.

OPPOSERS: Those who oppose the bill say that direct primary care is not a replacement for insurance. Retainer agreements are not a cost that insurance carriers cover so a patient cannot seek reimbursement for the retainer costs from the patient's insurance carrier.

Testifying against the bill were Blue Cross Blue Shield of Kansas City and Anthem, Inc. and Its Affiliates.