



# IOWA HOUSE DEMOCRATS

## BILL SUMMARY

# Direct Primary Agreements HF 2356

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**Status of Bill:** House Calendar

**Committee:** Human Resources (21-0)

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**Lead Democrat:** Rep. Anderson

**Floor Manager:** Rep. Heaton

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## Background

Currently, 23 states have laws regarding Direct Primary Care Agreements. These are agreements directly between the provider and the patient, cutting out the insurance companies. This legislation is modeled after Nebraska law, where one provider (Strata) has membership fees that cost \$99 per month, \$79 to add a spouse, and \$49 per month for children.

## Summary

HF 2356 allows for these agreements in Iowa, and mandates that the following items must be in the agreements:

- Must be in writing.
- Be signed by the direct provider and the direct patient.
- Describes the scope of services covered by the agreement.
- States locations where the member can get services.
- Specifies the charge and the frequency the patient has to pay the provider.
- Specifies any additional costs for services that are not covered and how much the patient will pay for these services.
- Specifies the duration of the direct primary care agreements, whether renewal is automatic and the procedure for renewing the agreement.
- Procedure for the direct provider ending the agreement stating they must provide 30-day advance, written notice.
- Allows the direct patient to terminate the agreement at any time.
- Termination by either party-provider shall refund all unearned charges to the patient within 30 days, and the patient shall pay all outstanding charges to the provider within 30 days.
- Notice stating this is not health insurance, and is not subject to authority of the Commissioner of Insurance.

These agreements only cover Primary Care, and do not include any specialty services. Agreements can be paid using membership fees, periodic retainers, subscription fees or a charge.

Thien, Kelsey [LEGIS]C:\Users\kelsey.thien\Desktop\HF 2356-Direct Primary Care Agreements.docx\February 21, 2018\9:48 AM