

HOUSE BILL 2323

By Kumar

AN ACT to amend Tennessee Code Annotated, Title 56;
Title 63; Title 68 and Title 71, relative to direct
primary care agreements.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 63, Chapter 1, is amended by adding
the following as a new part:

63-1-501. This part shall be known and may be cited as the "Health Care Empowerment
Act".

63-1-502. As used in this part:

(1) "Direct primary care membership agreement" means a written contractual
agreement between a primary care provider and an individual patient, or the patient's
legal representative, in which:

(A) The provider agrees to provide primary care services to the individual
patient for an agreed fee over an agreed period of time;

(B) The direct primary care provider will not bill third parties on a fee-for-
service basis;

(C) Any per-visit charges under the agreement will be less than the
monthly equivalent of the periodic fee;

(D) The agreement describes the scope of primary service that is
covered by the periodic fee;

(E) The agreement contains a statement that the agreement does not
constitute health insurance;

(F) The agreement specifies the duration of the agreement, including automatic renewal periods; and

(G) The patient is not required to pay more than twelve (12) months of the fee in advance;

(2) "Direct primary care provider" means an individual or legal entity that is licensed, registered, or otherwise authorized to provide primary care services in this state under this title, and who chooses to enter into a direct primary care membership agreement. A direct primary care provider includes an individual primary care provider or other legal entity, alone or with others professionally associated with the provider or other legal entity;

(3) "Medical products" include medical drugs and pharmaceuticals; and

(4) "Primary care service" includes the screening, assessment, diagnosis, and treatment for the purpose of promotion of health or the detection and management of disease or injury within the competency and training of the direct primary care provider.

63-1-503.

(a) Nothing in state law shall be construed as prohibiting a patient or a legal representative of a patient from seeking care outside of an insurance plan, or outside of the TennCare or medicare program, and paying for such care.

(b) Nothing in the law of this state shall be construed as prohibiting a physician licensed under chapter 6 or 9 of this title, other medical professional licensed under this title, or a healthcare facility, licensed under title 33 or 68, from accepting payment for services or medical products outside of an insurance plan. Nothing in the law of this state shall prohibit a physician, other medical professional, or a medical facility from accepting payment for services or medical products provided to a TennCare or medicare beneficiary.

(c) A patient or legal representative shall not forfeit insurance benefits, TennCare benefits, or medicare benefits by purchasing medical services or medical products outside the system.

(d) The offer and provision of medical services or medical products purchased and provided under this act shall not be deemed an offer of insurance nor regulated by the insurance laws of the state.

63-1-504.

(a) A direct primary care membership agreement is not insurance and is not subject to regulation by the department of commerce and insurance.

(b) Entering into a direct primary care membership agreement is not the business of insurance and is not subject to regulation under title 56.

(c) A direct primary care provider or the agent of a direct primary care provider is not required to obtain a certification of authority or license under the Tennessee Insurance Producer Licensing Act of 2002, compiled in title 56, chapter 6 to market, sell, or offer to sell a direct primary care agreement.

(d) A direct primary care membership agreement is not a discount medical plan.

(e) A direct primary care membership agreement shall:

(1) Allow either party to terminate the agreement upon written notice to the other party;

(2) Provide that fees are not earned by the direct primary care provider until the month paid by the periodic fee has been completed; and

(3) Provide that, upon termination of this agreement by the individual patient, all unearned fees are to be returned to the patient.

SECTION 3. This act shall take effect July 1, 2017, the public welfare requiring it.