

Chapter 165

H.B. No. 1945

1 AN ACT

2 relating to the provision of direct primary care.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Chapter 162, Occupations Code, is amended by  
5 adding Subchapter F to read as follows:

6 SUBCHAPTER F. DIRECT PRIMARY CARE

7 Sec. 162.251. DEFINITIONS. In this subchapter:

8 (1) "Direct fee" means a fee charged by a physician to  
9 a patient or a patient's designee for primary medical care services  
10 provided by, or to be provided by, the physician to the patient.

11 The term includes a fee in any form, including a:

12 (A) monthly retainer;

13 (B) membership fee;

14 (C) subscription fee;

15 (D) fee paid under a medical service agreement;

16 or

17 (E) fee for a service, visit, or episode of care.

18 (2) "Direct primary care" means a primary medical care  
19 service provided by a physician to a patient in return for payment  
20 in accordance with a direct fee.

21 (3) "Medical service agreement" means a signed written  
22 agreement under which a physician agrees to provide direct primary  
23 care services for a patient in exchange for a direct fee for a  
24 period of time that is entered into by the physician and:

1           (A) the patient;

2           (B) the patient's legal representative,  
3 guardian, or employer on behalf of the patient; or

4           (C) the patient's legal representative's or  
5 guardian's employer on behalf of the patient.

6           (4) "Physician" includes a professional association  
7 or professional limited liability company owned entirely by an  
8 individual licensed under this subtitle.

9           (5) "Primary medical care service" means a routine or  
10 general health care service of the type provided at the time a  
11 patient seeks preventive care or first seeks health care services  
12 for a specific health concern, is a patient's main source for  
13 regular health care services, and includes:

14           (A) promoting and maintaining mental and  
15 physical health and wellness;

16           (B) preventing disease;

17           (C) screening, diagnosing, and treating acute or  
18 chronic conditions caused by disease, injury, or illness;

19           (D) providing patient counseling and education;

20 and

21           (E) providing a broad spectrum of preventive and  
22 curative health care over a period of time.

23           Sec. 162.252. APPLICABILITY OF SUBCHAPTER. This subchapter  
24 does not apply to workers' compensation insurance coverage as  
25 defined by Section 401.011, Labor Code.

26           Sec. 162.253. DIRECT PRIMARY CARE NOT INSURANCE. (a) A  
27 physician providing direct primary care is not an insurer or health

1 maintenance organization, and the physician is not subject to  
2 regulation by the Texas Department of Insurance for the direct  
3 primary care.

4 (b) A medical service agreement is not health or accident  
5 insurance or coverage under Title 8, Insurance Code, and is not  
6 subject to regulation by the Texas Department of Insurance.

7 (c) A physician is not required to obtain a certificate of  
8 authority under the Insurance Code to market, sell, or offer a  
9 medical service agreement or provide direct primary care.

10 (d) A physician providing direct primary care does not  
11 violate Section 1204.055, Insurance Code.

12 Sec. 162.254. BILLING INSURER OR HEALTH MAINTENANCE  
13 ORGANIZATION PROHIBITED. A physician may not bill an insurer or  
14 health maintenance organization for direct primary care that is  
15 paid under a medical service agreement.

16 Sec. 162.255. INTERFERENCE PROHIBITED. (a) The board or  
17 another state agency may not prohibit, interfere with, initiate a  
18 legal or administrative proceeding against, or impose a fine or  
19 penalty against:

20 (1) a physician solely because the physician provides  
21 direct primary care; or

22 (2) a person solely because the person pays a direct  
23 fee for direct primary care.

24 (b) A health insurer, health maintenance organization, or  
25 health care provider as that term is defined by Section 105.001 may  
26 not prohibit, interfere with, or initiate a legal proceeding  
27 against:

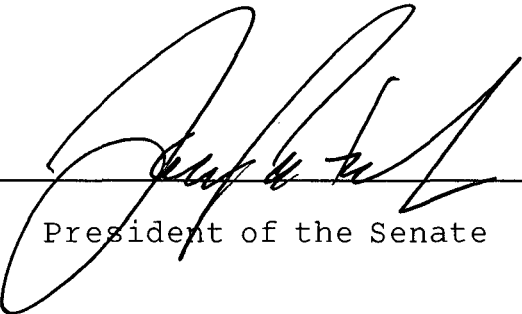
1           (1) a physician solely because the physician provides  
2 direct primary care; or

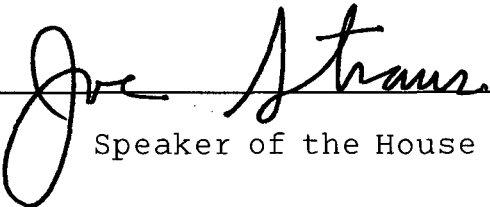
3           (2) a person solely because the person pays a direct  
4 fee for direct primary care.

5           Sec. 162.256. REQUIRED DISCLOSURE. A physician providing  
6 direct primary care shall provide written or electronic notice to  
7 the patient that a medical service agreement for direct primary  
8 care is not insurance, prior to entering into the agreement.

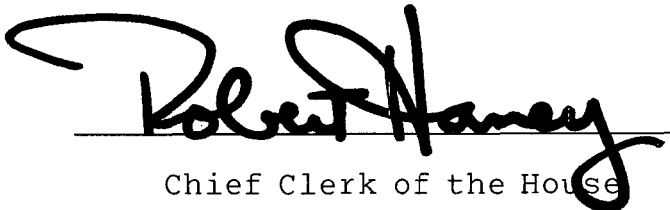
9           SECTION 2. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2015.

H.B. No. 1945

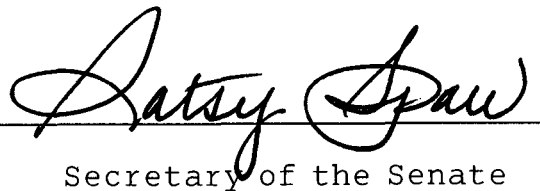
  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 1945 was passed by the House on April 15, 2015, by the following vote: Yeas 135, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1945 on May 18, 2015, by the following vote: Yeas 130, Nays 0, 1 present, not voting.

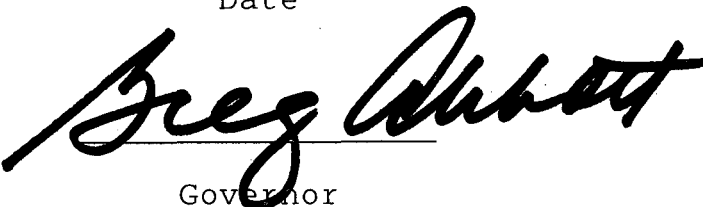
  
\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 1945 was passed by the Senate, with amendments, on May 12, 2015, by the following vote: Yeas 30, Nays 0.

  
\_\_\_\_\_  
Secretary of the Senate

APPROVED: 5-28-2015

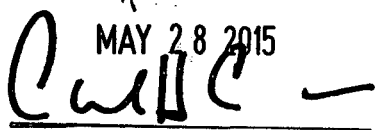
Date

  
\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE

9 O'CLOCK

MAY 28 2015

  
\_\_\_\_\_  
Secretary of State

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 12, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1945** by Bonnen, Greg (Relating to the provision of direct primary care.), **As Passed  
2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Occupations Code relating to the provision of direct primary care. Based on information provided by the Texas Department of Insurance and the Texas Medical Board, it is assumed that all duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing staff and resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance, 503 Texas Medical Board

**LBB Staff:** UP, TWh, NB, NV

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 5, 2015**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1945** by Bonnen, Greg (Relating to the provision of direct primary care.), As  
**Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Occupations Code relating to the provision of direct primary care. Based on information provided by the Texas Department of Insurance and the Texas Medical Board, it is assumed that all duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing staff and resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance, 503 Texas Medical Board

**LBB Staff:** UP, NB, NV, TWh

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 1, 2015**

**TO:** Honorable Myra Crownover, Chair, House Committee on Public Health

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB1945 by Bonnen, Greg (relating to the provision of direct primary care. ), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Occupations Code relating to the provision of direct primary care. Based on information provided by the Texas Department of Insurance and the Texas Medical Board, it is assumed that all duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing staff and resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance, 503 Texas Medical Board

**LBB Staff:** UP, NB, NV, TWh



**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 20, 2015**

**TO:** Honorable Myra Crownover, Chair, House Committee on Public Health

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1945** by Bonnen, Greg (Relating to the provision of direct primary care.), As  
**Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Occupation Code relating to the provision of direct primary care. Based on information provided by the Texas Department of Insurance and the Texas Medical Board, it is assumed that all duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing staff and resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance, 503 Texas Medical Board

**LBB Staff:** UP, NB, NV, TWh, ER