

1 AN ACT relating to health care providers.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO
4 READ AS FOLLOWS:

5 *As used in this section and Section 2 of this Act:*

- 6 *(1) "Direct primary care membership agreement" means a written contractual*
7 *agreement between a primary care provider and an individual patient or his or*
8 *her legal guardian that:*
- 9 *(a) Is for an agreed-upon fee over an agreed-upon period of time;*
- 10 *(b) Describes the primary care services to be provided in exchange for the*
11 *agreed-upon fee;*
- 12 *(c) States that the primary care provider shall not bill a health benefit plan or*
13 *the Medicaid program on a fee-for-service basis for the primary care*
14 *services provided under the agreement;*
- 15 *(d) Specifies automatic agreement renewal periods;*
- 16 *(e) Specifies any additional fees that may be charged for primary care services*
17 *that are not included in the agreement;*
- 18 *(f) States that the patient is not required to pay more than twelve (12) months*
19 *of the agreed-upon fee in advance;*
- 20 *(g) States that the agreed-upon fee and any additional fees may be paid by a*
21 *third party;*
- 22 *(h) Allows either party to terminate the agreement in writing, without penalty*
23 *or payment of a termination fee, after notice;*
- 24 *(i) Provides that, upon termination of the agreement by the patient or his or*
25 *her legal guardian, all unearned fees are to be returned to the patient, his or*
26 *her legal guardian, or any third-party payor; and*
- 27 *(j) Contains a conspicuous and prominent statement that the agreement does*

1 not constitute a health benefit plan and does not meet any individual health
2 benefit plan mandate that may be required by federal law;

3 (2) "Health benefit plan" has the same meaning as in KRS 304.17A-005;

4 (3) "Primary care provider" means a physician who is licensed, registered, or
5 otherwise authorized to provide primary care services in Kentucky and who
6 chooses to enter into a direct primary care membership agreement. A direct
7 primary care provider includes an individual primary care provider or other legal
8 entity, alone or with others professionally associated with the provider or other
9 legal entity;

10 (4) "Primary care service" means the screening, assessment, diagnosis, and
11 treatment for the purpose of promotion of health or the detection and
12 management of disease or injury within the competency and training of the
13 primary care provider; and

14 (5) "Third party" means a legal guardian, the individual patient's employer, a
15 spouse's employer, a family member of the patient, or a state-sponsored direct
16 primary care payment program. Third party does not include a network designed
17 to merely accept payment from a patient and then direct the patient to one (1) of
18 several independently owned clinics for the delivery of care.

19 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO
20 READ AS FOLLOWS:

21 (1) Receiving primary care services under a direct primary care membership
22 agreement shall not require a patient or his or her legal guardian to forfeit
23 coverage under a health benefit plan or the Medicaid program.

24 (2) The offer or provision of primary care services under a direct primary care
25 membership agreement shall not be deemed an offer or provision of coverage
26 under a health benefit plan and shall not be regulated under KRS Chapter 304.

27 (3) A primary care provider shall not be required to obtain a license to market, sell,

- 1 or offer to sell a direct primary care membership agreement.
- 2 (4) All services provided pursuant to this section shall be consistent with KRS
- 3 Chapter 311 for physicians.