



**Colorado
Legislative
Council
Staff**

HB17-1115

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0485

Date: February 2, 2017

Prime Sponsor(s): Rep. Buck; Ginal

Bill Status: House Health, Insurance, and Environment

Fiscal Analyst: Bill Zepernick (303-866-4777)

BILL TOPIC: DIRECT PRIMARY HEALTH CARE SERVICES

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal workload increase.	
Appropriation Required: None.		
Future Year Impacts: Minimal ongoing workload increase.		

Summary of Legislation

The bill establishes definitions and legal parameters for direct primary health care agreements. In addition, it specifies that direct primary health agreements are not an insurance product and are not regulated by the Division of Insurance in the Department of Regulatory Agencies. The bill prohibits a health care provider from refusing to enter into an agreement or from discontinuing an agreement because of the health status of a patient. However, providers are allowed to refuse patients if they have reached a practice's capacity or if a practice is unable to meet the health care needs of the patient. An agreement may be discontinued if the patient fails to pay the required periodic fee, commits fraud or misrepresentation in connection with the agreement, or fails to adhere to the recommended treatment plan, or if the provider discontinues operation as a direct primary health care provider.

Background

Direct primary health care agreements are a contract between a provider and patient under which the patient pays a periodic fee in exchange for primary care services from a health care provider. These agreements, also referred to as concierge health care, are allowed under current law and are not currently regulated in Colorado. The federal Patient Protection and Affordable Care Act (PPACA) allows the use of direct primary health care agreements in conjunction with certain types of low-cost, high-deductible health plans as meeting the requirement that an individual maintain coverage through a qualified health plan. In such cases, the health insurer may pay the costs of a direct primary health care agreement on behalf of the patient.

State Expenditures

The bill may increase workload by a minimal amount in the Division of Professions and Occupations in the Department of Regulatory Agencies and in the trial courts in the Judicial Department. The specific standards for direct primary health care agreements under the bill may result in additional complaints about physicians or contractual disputes between patients and physicians if the specific standards are not met. At the same time, clear guidelines about these agreements in statute may reduce the likelihood of complaints or disputes in some cases by standardizing the implementation of these agreements. Overall, any change in workload is expected to be minimal and can be accomplished within existing appropriations.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Health Care Policy and Financing
Judicial Department
Regulatory Agencies

Information Technology
Law