

REFERENCE TITLE: **direct primary care agreements**

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

SB 1105

Introduced by
Senators Carter: Bradley, Brophy McGee

AN ACT

AMENDING SECTION 20-103, ARIZONA REVISED STATUTES; REPEALING SECTION 20-123, ARIZONA REVISED STATUTES; AMENDING SECTION 44-1521, ARIZONA REVISED STATUTES; REPEALING TITLE 44, CHAPTER 11, ARTICLE 25, ARIZONA REVISED STATUTES; AMENDING TITLE 44, CHAPTER 11, ARIZONA REVISED STATUTES, BY ADDING A NEW ARTICLE 25; RELATING TO THE REGULATION OF PARTICULAR BUSINESSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-103, Arizona Revised Statutes, is amended to
3 read:

4 20-103. Definition of insurance; exceptions

5 A. For the purposes of this title, except as otherwise provided,
6 "insurance" is a contract by which one undertakes to indemnify another or
7 to pay a specified amount upon determinable contingencies.

8 B. Private ambulance service contracts or private fire protection
9 service contracts are not insurance, and this title does not apply to
10 those contracts.

11 C. Charitable gift annuities that are issued pursuant to section
12 20-119 are not insurance and, except as provided in section 20-119, this
13 title does not apply to agreements for those annuities.

14 D. Collision damage waivers are not insurance, and this title does
15 not apply to those waivers.

16 E. Direct primary care ~~provider plans that are issued pursuant to~~
17 ~~title 44, chapter 11, article 25~~ AGREEMENTS AS DEFINED IN SECTION
18 44-1799.91 are not insurance, and this title does not apply to those ~~plans~~
19 AGREEMENTS.

20 Sec. 2. Repeal

21 Section 20-123, Arizona Revised Statutes, is repealed.

22 Sec. 3. Section 44-1521, Arizona Revised Statutes, is amended to
23 read:

24 44-1521. Definitions

25 In this article, unless the context otherwise requires:

26 1. "Advertisement" includes the attempt by publication,
27 dissemination, solicitation or circulation, oral or written, to induce
28 directly or indirectly any person to enter into any obligation or acquire
29 any title or interest in any merchandise.

30 2. "Attorney general" means the attorney general of Arizona or the
31 attorney general's authorized delegate.

32 3. "Authorized delegate" means any attorney, investigator or
33 administrative personnel employed by the attorney general and so
34 designated, and, if requested by the county attorney and authorized by the
35 attorney general, may include similar personnel employed by the several
36 county attorneys of this state.

37 4. "Examine" means the inspection, study or copying of any account,
38 book, document, merchandise, paper or record.

39 5. "Merchandise" means any objects, wares, goods, commodities,
40 intangibles, real estate or services, ~~including direct primary care~~
41 ~~provider plans as defined in section 20-123.~~

42 6. "Person" means any natural person or the person's legal
43 representative, ~~ANY~~ partnership, ~~OR~~ domestic or foreign corporation, any
44 company, trust, business entity, ~~or association,~~ ~~OR~~ any agent, employee,
45 salesman, partner, officer, director, member, stockholder, associate or
46 trustee.

1 6. SPECIFY THE DURATION OF THE AGREEMENT AND ANY AUTOMATIC RENEWAL
2 PERIODS.

3 7. PROVIDE A PROMINENT WRITTEN DISCLAIMER THAT THE AGREEMENT IS NOT
4 HEALTH INSURANCE AND THAT READS, IN SUBSTANTIALLY THE FOLLOWING FORM:

5 NOTICE: THE ORGANIZATION FACILITATING THE DIRECT PRIMARY CARE
6 AGREEMENT IS NOT AN INSURANCE COMPANY AND THE DIRECT PRIMARY
7 CARE COMPANY GUIDELINES AND AGREEMENT ARE NOT AN INSURANCE
8 POLICY. PARTICIPATION IN THE DIRECT PRIMARY CARE AGREEMENT OR
9 A SUBSCRIPTION TO ANY OF ITS DOCUMENTS SHOULD NOT BE
10 CONSIDERED TO BE A HEALTH INSURANCE POLICY. REGARDLESS OF
11 WHETHER YOU RECEIVE TREATMENT FOR HEALTH CARE ISSUES THROUGH
12 THE DIRECT PRIMARY CARE AGREEMENT, YOU ARE ALWAYS PERSONALLY
13 RESPONSIBLE FOR THE PAYMENT OF ANY ADDITIONAL HEALTH CARE
14 EXPENSES YOU MAY INCUR.

15 44-1799.93. Direct primary care provider; acceptance and
16 discontinuance of patients

17 A. A DIRECT PRIMARY CARE PROVIDER MAY NOT DECLINE TO ACCEPT A NEW
18 DIRECT PRIMARY CARE PATIENT OR TO DISCONTINUE CARE TO AN EXISTING PATIENT
19 SOLELY BECAUSE OF THE PATIENT'S HEALTH STATUS.

20 B. A DIRECT PRIMARY CARE PRACTICE MAY DECLINE TO ACCEPT A PATIENT
21 IF THE PRACTICE HAS REACHED ITS MAXIMUM CAPACITY OR IF THE PATIENT'S
22 MEDICAL CONDITION IS SUCH THAT THE PROVIDER IS UNABLE TO PROVIDE THE
23 APPROPRIATE LEVEL AND TYPE OF PRIMARY CARE SERVICES THE PATIENT REQUIRES.

24 C. A DIRECT PRIMARY CARE PROVIDER MAY DISCONTINUE CARE FOR A DIRECT
25 PRIMARY CARE PATIENT IN ANY OF THE FOLLOWING CIRCUMSTANCES:

26 1. THE PATIENT FAILS TO PAY THE PERIODIC FEE.

27 2. THE PATIENT HAS PERFORMED AN ACT OF FRAUD.

28 3. THE PATIENT REPEATEDLY FAILS TO ADHERE TO THE RECOMMENDED
29 TREATMENT PLAN.

30 4. THE PATIENT IS ABUSIVE AND PRESENTS AN EMOTIONAL OR PHYSICAL
31 DANGER TO THE STAFF OR OTHER PATIENTS OF THE DIRECT PRIMARY CARE PRACTICE.

32 5. THE DIRECT PRIMARY CARE PRACTICE DISCONTINUES OPERATION AS A
33 DIRECT PRIMARY CARE PRACTICE.

34 44-1799.94. Direct primary care agreements; fees

35 A. A DIRECT PRIMARY CARE AGREEMENT MAY NOT REQUIRE MORE THAN TWELVE
36 MONTHS OF THE PERIODIC FEE TO BE PAID IN ADVANCE. ON DISCONTINUING THE
37 AGREEMENT ALL UNEARNED MONIES SHALL BE RETURNED TO THE PATIENT.

38 B. A DIRECT PRIMARY CARE PROVIDER MAY NOT BILL THIRD PARTIES ON A
39 FEE FOR SERVICE BASIS FOR PRIMARY CARE SERVICES THAT ARE PROVIDED TO A
40 PATIENT AND THAT ARE COVERED UNDER THE DIRECT PRIMARY CARE AGREEMENT.

41 44-1799.95. Direct primary care agreements; regulation

42 A DIRECT PRIMARY CARE AGREEMENT FOR MEDICAL SERVICES DOES NOT
43 CONSTITUTE THE TRANSACTION OF INSURANCE BUSINESS OR A HEALTH CARE SERVICES
44 ORGANIZATION IN THIS STATE FOR THE PURPOSES OF REGULATION UNDER TITLE 20.