



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1739

PRINTERS NO. 2336

PRIME SPONSOR: Baker

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	\$0

SUMMARY:

House Bill 1739 creates a new, freestanding act to be known as the Medical Service Agreement Act. It would take effect in 60 days.

ANALYSIS:

The Medical Service Agreement Act clarifies that physicians providing direct primary care based on a medical service agreement are not considered insurers subject to regulation by the Commonwealth's Insurance Department, and are not required to obtain certificates of authority from the Department to sell or offer. In addition, medical service agreements are not considered insurance to be regulated by the Department.

The bill also enumerates requirements for what must be contained in an agreement for it to be legally considered a Medical Service Agreement. In addition, it stipulates that fees paid by a patient under a medical service agreement may be paid or reimbursed by a health savings account or flexible spending account if the patient has one.

FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Jeff Miller
Ann Bertolino
House Appropriations Committee (R)

DATE: September 27, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.