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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 926 Session of  
2017

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INTRODUCED BY BROWNE, VULAKOVICH, HUTCHINSON, DiSANTO, FOLMER,  
McILHINNEY, MENSCH AND WARD, OCTOBER 11, 2017

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REFERRED TO BANKING AND INSURANCE, OCTOBER 11, 2017

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AN ACT

1 Providing for direct primary care, medical service agreements  
2 and insurance, for medical service agreement requirements and  
3 for use of other health care practitioners.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Medical  
8 Service Agreement Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Department." The Insurance Department of the Commonwealth.

14 "Direct fee." A fee charged by a physician to a patient or a  
15 patient's designee for primary medical care services provided  
16 by, or to be provided by, the physician to the patient. The term  
17 includes a fee in any form, including any of the following:

18 (1) A monthly retainer.

1 (2) A membership fee.

2 (3) A subscription fee.

3 (4) A fee paid under a medical service agreement.

4 (5) A fee for a service, visit or episode of care.

5 "Direct primary care." A primary medical care service  
6 provided by a physician to a patient in return for payment in  
7 accordance with a direct fee.

8 "Health care practitioner." An individual who is authorized  
9 to practice some component of the healing arts by a license,  
10 permit, certificate or registration issued by a Commonwealth  
11 licensing agency or board.

12 "Medical service agreement." A signed written agreement  
13 under which a physician agrees to provide direct primary care  
14 services for a patient for a period of time in exchange for a  
15 direct fee and which is entered into by the physician and any of  
16 the following:

17 (1) The patient.

18 (2) The patient's legal representative, guardian or  
19 employer on behalf of the patient.

20 (3) The legal representative of the patient's employer  
21 or guardian on behalf of the patient.

22 "Physician." Any person licensed to practice medicine in  
23 this Commonwealth. The term includes medical doctors and doctors  
24 of osteopathy.

25 "Primary medical care service." A routine or general health  
26 care service of the type provided at the time a patient seeks  
27 preventative care or first seeks health care services for a  
28 specific health concern and is a patient's main source for  
29 regular health care services. The term includes health care  
30 services provided for any of the following purposes:

1           (1) Promoting and maintaining mental and physical health  
2           and wellness.

3           (2) Preventing disease.

4           (3) Screening, diagnosing and treating acute or chronic  
5           conditions caused by disease, injury or illness.

6           (4) Providing patient counseling and education.

7           (5) Providing a broad spectrum of preventative and  
8           curative health care over a period of time.

9           Section 3. Direct primary care, medical service agreements and  
10           insurance.

11           (a) Direct primary care.--A physician providing direct  
12           primary care based on a medical service agreement shall not be  
13           considered an insurer or health maintenance organization under  
14           the laws of this Commonwealth, and the physician shall be not  
15           subject to regulation by the department for direct primary care.

16           (b) Medical service agreements.--A medical service agreement  
17           shall not be considered health or accident insurance or coverage  
18           under 40 Pa.C.S. (relating to insurance) and shall not be  
19           subject to regulation by the department.

20           (c) Physicians.--A physician shall not be required to obtain  
21           a certificate of authority under 40 Pa.C.S. to market, sell or  
22           offer a medical service agreement or provide direct primary  
23           care.

24           Section 4. Medical service agreement requirements.

25           In order to be considered a medical service agreement under  
26           this act, the medical service agreement shall:

27           (1) be in writing;

28           (2) be signed by the patient or patient's legal  
29           representative or guardian;

30           (3) be signed by the physician;

1           (4) allow either party to terminate the medical service  
2 agreement upon written notice to the other party;

3           (5) describe the specific health care services that are  
4 included in the medical service agreement;

5           (6) specify the fee for the medical service agreement;

6           (7) specify the period of time under the medical service  
7 agreement; and

8           (8) include the following statement:

9           This agreement does not provide comprehensive health  
10 insurance coverage. The agreement only provides for  
11 the health care services specifically described.

12 Section 5. Use of other health care practitioners.

13         Nothing in this act shall be construed as prohibiting,  
14 limiting or otherwise restricting a physician in a collaborative  
15 practice from utilizing other health care practitioners in the  
16 practice to provide primary care services if the services  
17 provided are within the scope of practice of the health care  
18 practitioner and the patient is made aware of the use of other  
19 health care practitioners.

20 Section 6. Effective date.

21         This act shall take effect in 60 days.