

Legislative Council Study Committee on Direct Primary Care

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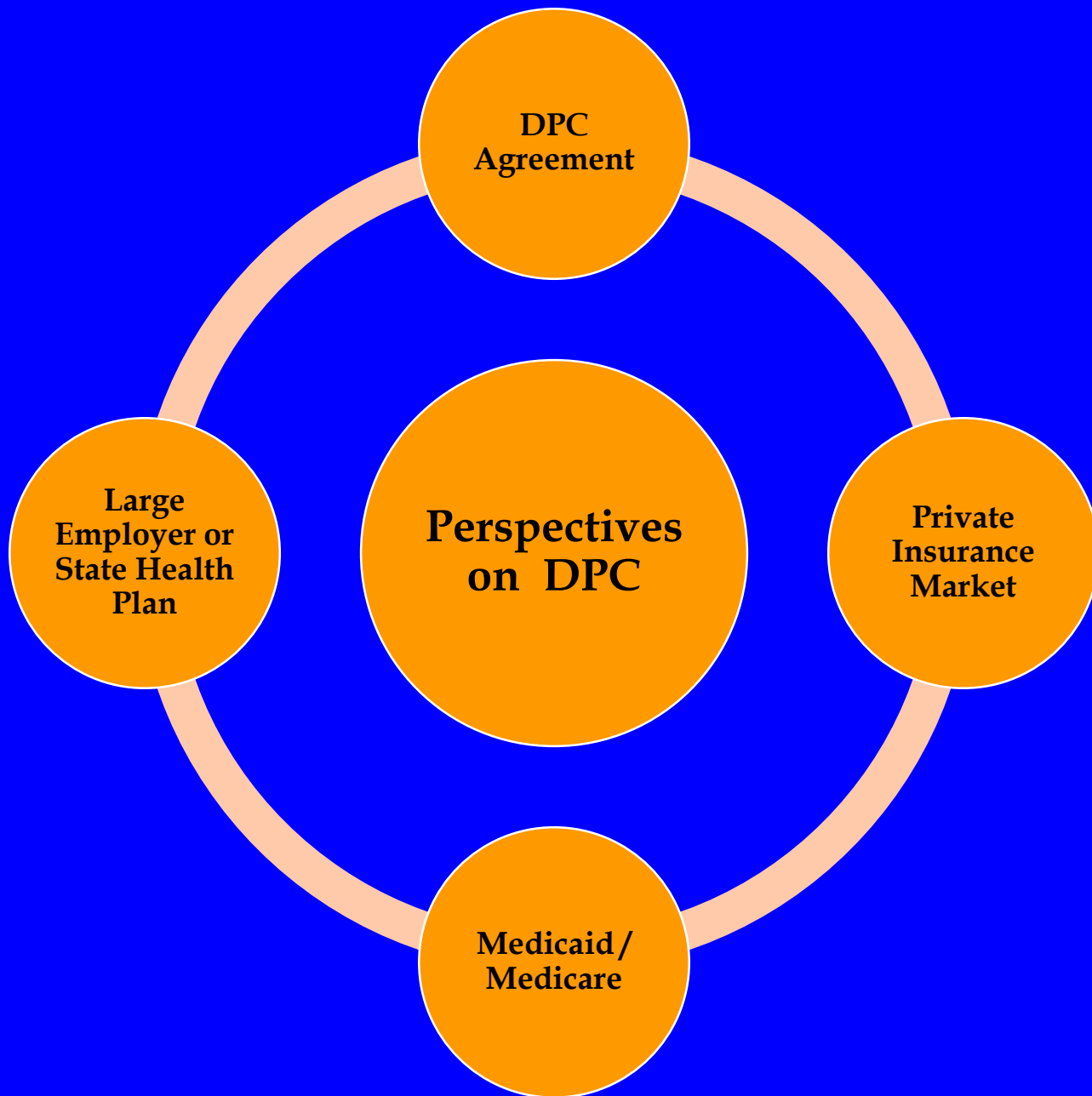
Wisconsin Legislative Council



Committee Assignment

1. Assess the potential impact of DPC on the health care delivery system and health outcomes in the state.
2. Recommend legislation regarding requirements for DPC practices in the private market.
3. Assess the potential impact of DPC on the functionality, efficiency, and effectiveness of service delivery in the MA program, and health outcomes in the MA program.
4. Recommend legislation regarding a DPC pilot in the MA program, including an evaluation of its impact on service delivery and health outcomes.





State DPC Legislation

- 25 states have enacted legislation regarding DPC on the private market
- Fewer state experiences in Medicaid: Washington, Michigan, Missouri
- DPC bills were introduced in Wisconsin this session
 - Currently, DPC is not recognized as health insurance, in part because it does not involve “risk distribution”

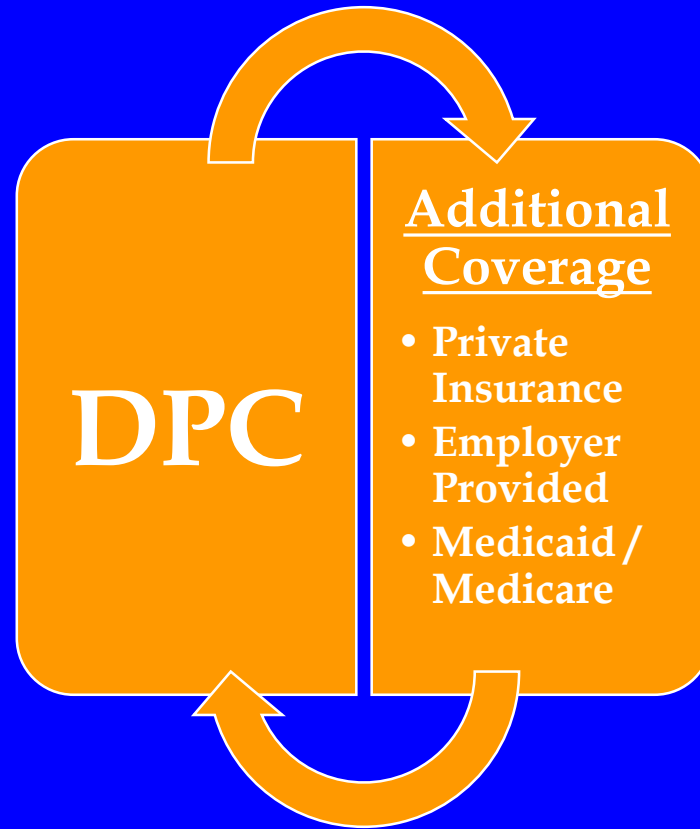


Factors Addressed by States for Regulation of DPC on the Private Market

- Definition of primary care
- Who may enter into a DPC agreement?
- “Anti-discrimination” provisions (e.g., health status)
- Required disclosures
- Charges to 3rd parties
- Terminating the Agreement



Combining DPC with Additional Coverage



Considerations

- Coverage
 - How can DPC be linked with wrap-around insurance to avoid duplication of coverage or underinsurance?
 - Care coordination and referrals
- Payment
 - Amounts paid for DPC fees might not count towards cost-sharing requirements for insurance plan
 - IRS has not generally allowed use of Health Savings Accounts to pay DPC fees



“Direct Primary Care Medical Home Plans” under the ACA

- Can be offered as a qualified health plan on the exchange
(Premium tax credits and cost-sharing subsidies are available)
- Must satisfy all applicable ACA requirements
- HHS directs states to look to Washington’s model:
 - Consumer purchases 1 plan, which includes a DPC practice and wrap-around insurance
 - Insurer is responsible to “promote a seamless consumer experience”
 - Insurer must apply for certification to offer the plan on the exchange (DPC provider does not have to)

**None currently offered in Wisconsin*



State DPC Pilots

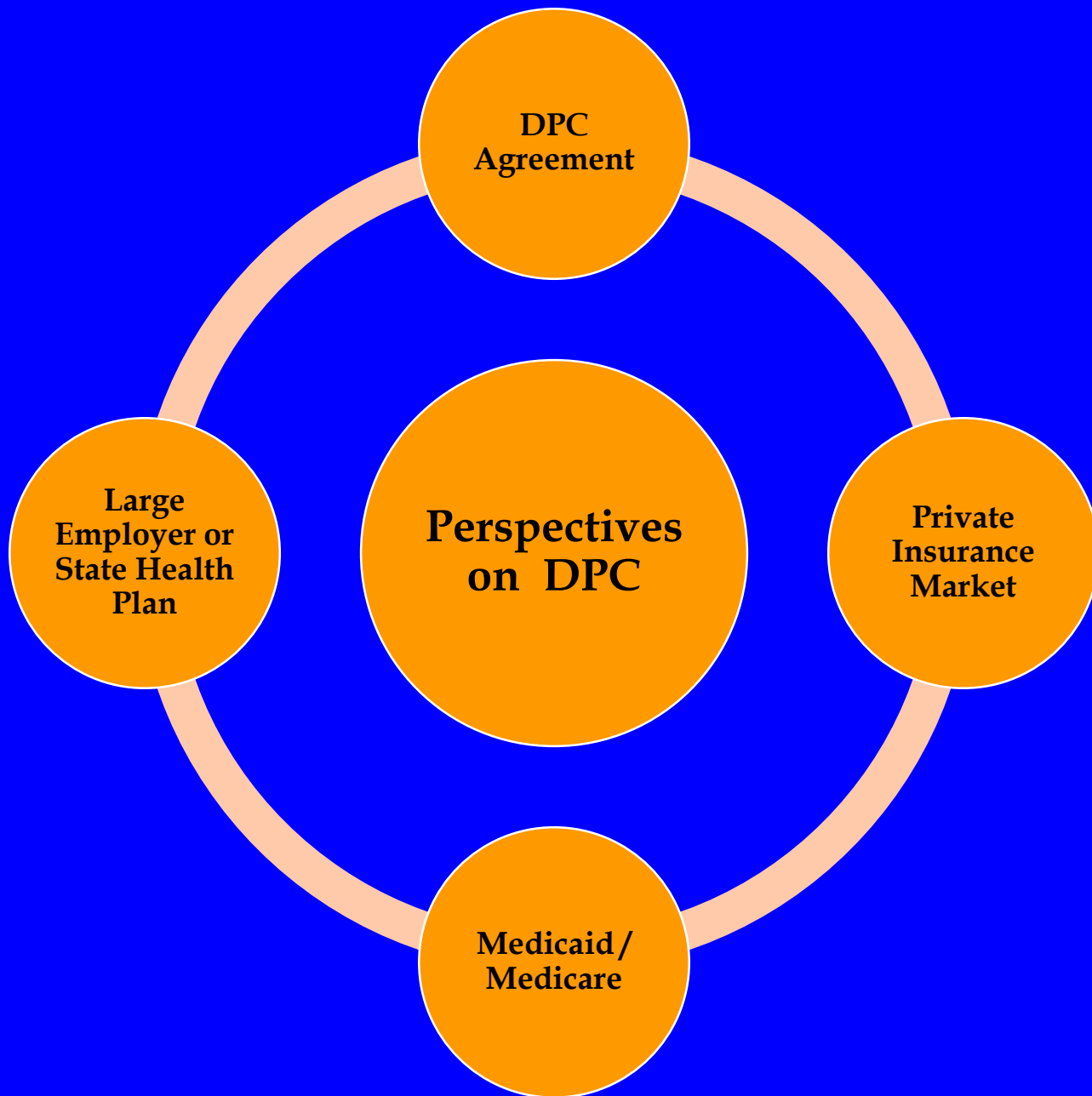
- Michigan
- West Virginia
- Washington
- Nebraska
- New Jersey



Medicaid Service Delivery Models

- Fee for Service
- Managed Care
- Health Home





Questions?