

State of Arizona
Senate
Fifty-first Legislature
Second Regular Session
2014

SENATE BILL 1404

AN ACT

AMENDING TITLE 20, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING
SECTION 20-123; RELATING TO DIRECT PRIMARY CARE PROVIDER PLANS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 20, chapter 1, article 1, Arizona Revised Statutes,
3 is amended by adding section 20-123, to read:

4 20-123. Direct primary care provider: exemption from
5 regulation; notice; definitions

6 A. A DIRECT PRIMARY CARE PROVIDER PLAN DOES NOT CONSTITUTE THE
7 TRANSACTION OF INSURANCE BUSINESS OR A HEALTH CARE SERVICES ORGANIZATION IN
8 THIS STATE FOR THE PURPOSES OF REGULATION UNDER THIS TITLE, PROVIDING THE
9 PLAN DOES NOT ASSUME FINANCIAL RISK OR AGREE TO INDEMNIFY FOR SERVICES
10 PROVIDED BY A THIRD PARTY.

11 B. A DIRECT PRIMARY CARE PROVIDER PLAN MAY ARRANGE FOR PRIMARY HEALTH
12 CARE FOR ENROLLEES IN THIS STATE.

13 C. A DIRECT PRIMARY CARE PROVIDER PLAN MAY PROVIDE A WRITTEN
14 DISCLAIMER ON OR ACCOMPANYING ALL APPLICATION AND GUIDELINE MATERIALS
15 DISTRIBUTED BY OR ON BEHALF OF THE DIRECT PRIMARY CARE PROVIDER PLAN THAT
16 READS, IN SUBSTANCE:

17 NOTICE: THE ORGANIZATION FACILITATING THE DIRECT PRIMARY CARE
18 PROVIDER PLAN IS NOT AN INSURANCE COMPANY AND THE DIRECT PRIMARY
19 CARE COMPANY GUIDELINES AND PLAN OPERATION ARE NOT AN INSURANCE
20 POLICY. PARTICIPATION IN THE DIRECT PRIMARY CARE PROVIDER PLAN
21 OR A SUBSCRIPTION TO ANY OF ITS DOCUMENTS SHOULD NOT BE
22 CONSIDERED TO BE INSURANCE. REGARDLESS OF WHETHER YOU RECEIVE
23 TREATMENT FOR MEDICAL ISSUES THROUGH THE DIRECT PRIMARY CARE
24 PROVIDER PLAN, YOU ARE ALWAYS PERSONALLY RESPONSIBLE FOR THE
25 PAYMENT OF ANY ADDITIONAL MEDICAL EXPENSES YOU MAY INCUR.

26 D. FOR THE PURPOSES OF THIS SECTION:

27 1. "DIRECT PRIMARY CARE PROVIDER PLAN" MEANS A PRIMARY CARE PROVIDER
28 OR PRACTICE THAT COLLECTS ON A PREPAID BASIS FEES TO CONDUCT PRIMARY HEALTH
29 CARE FOR ENROLLEES.

30 2. "ENROLLEE" MEANS AN INDIVIDUAL, FAMILY OR GROUP THAT HAS ENROLLED
31 IN A DIRECT PRIMARY CARE PROVIDER PLAN.

32 3. "PRIMARY CARE PROVIDER" MEANS A PHYSICIAN WHO IS LICENSED PURSUANT
33 TO TITLE 32, CHAPTER 13 OR 17 AND WHO SPECIALIZES OR IS BOARD CERTIFIED IN
34 GENERAL PRACTICE, FAMILY MEDICINE, INTERNAL MEDICINE OR PEDIATRICS.

35 4. "PRIMARY HEALTH CARE" MEANS CONDUCTING ALL COMPONENTS OF PRIMARY
36 CARE THAT IS ORDERED AND SUPERVISED BY A PRIMARY CARE PROVIDER, INCLUDING
37 MEDICAL VISITS, LABORATORY TESTING, IMAGING, PATHOLOGY TESTING, PRESCRIBING
38 AND ADMINISTERING MEDICATION AND OTHER MEDICAL PROCEDURES THAT MAY BE
39 PERFORMED OR SUPERVISED BY A PRIMARY CARE PROVIDER WITH TRAINING AND
40 EXPERIENCE IN THAT PROCEDURE.