

Senate Bill 265

By: Senators Hill of the 32nd, Bethel of the 54th, Burke of the 11th, Martin of the 9th, Millar of the 40th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 33 of the Official Code of Georgia Annotated, relating to kinds
2 of insurance, limits of risks, and reinsurance, so as to provide definitions; to provide that
3 physician agreements are not insurance; to exempt such agreements from regulation as
4 insurance; to provide for discontinuance of services under certain circumstances; to provide
5 a short title; to provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Physician Direct Pay Act."

9 **SECTION 2.**

10 Chapter 7 of Title 33 of the Official Code of Georgia Annotated, relating to kinds of
11 insurance, limits of risks, and reinsurance, is amended by adding a new Code section to read
12 as follows:

13 "33-7-2.1.

14 (a) As used in this Code section, the term:

15 (1) 'Physician' means a person licensed to practice medicine pursuant to Article 2 of
16 Chapter 34 of Title 43.

17 (2) 'Physician agreement' means a contract between a physician and an individual patient
18 or his or her legal representative in which the physician or the physician's medical
19 practice agrees to provide health care services to the individual patient for an agreed-upon
20 fee and period of time.

21 (3) 'Physician practice' means a physician or physician's medical practice that charges
22 a periodic fee for services, does not bill any third parties on a fee for service basis, and
23 whose per visit charge is less than the monthly equivalent of the periodic fee.

24 (b) A physician agreement is not insurance, shall not be deemed an insurance arrangement
25 nor agreement, and is not subject to state insurance laws so long as the direct financial

26 relationship with a patient does not exceed a fee of \$6,000.00, adjusted annually by the rate
 27 of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the
 28 United States Department of Labor.

29 (c) A physician offering, marketing, selling, or entering into a physician agreement shall
 30 not be required to obtain a certificate of authority or license other than to maintain a current
 31 license to practice medicine with the State of Georgia.

32 (d) To be considered a physician agreement for the purposes of this Code section, such
 33 agreement shall:

34 (1) Be in writing;

35 (2) Be signed by a physician or agent of the physician and the individual patient or his
 36 or her legal representative;

37 (3) Allow either party to terminate such agreement upon written notice to the other party
 38 of no more than 30 days;

39 (4) Describe the scope of health care services that are covered by the periodic fee;

40 (5) Specify the periodic fee and any additional fees outside of the periodic fee for
 41 ongoing care;

42 (6) Specify the duration of such agreement and any automatic renewal periods and
 43 require that no more than 12 months of the periodic fee be paid in advance; and

44 (7) Prominently state in writing that such agreement is not health insurance.

45 (e) A physician providing health care services under a physician agreement may decline
 46 to accept a patient if, in the physician's opinion, such patient's medical condition is such
 47 that the provider is unable to provide the appropriate level and type of health care services
 48 such patient requires. The physician may discontinue care for patients under the physician
 49 agreement if:

50 (1) The patient fails to pay the periodic fee;

51 (2) The patient has performed an act of fraud;

52 (3) The patient repeatedly fails to adhere to the recommended treatment plan;

53 (4) The patient is abusive and presents an emotional or physical danger to the staff or
 54 other patients of the direct practice; or

55 (5) The physician or the physician's medical practice discontinues operation as a
 56 physician practice."

57 **SECTION 3.**

58 All laws and parts of laws in conflict with this Act are repealed.