FREQUENTLY ASKED QUESTIONS - DPC

Q: Is Direct Primary Care (DPC) Health Insurance?
A: No. DPC doctors work directly with their patients to provide primary and preventive care services. DPC doctors and DPC offices do not provide specialist, hospital or emergency care, but can refer patients to providers within a desired network.

Most DPC doctors/offices do not bill any insurance carrier for their services. DPC doctors/office usually offer monthly care fees which are not reimbursable by any health insurance company, and may not be applied to any insurance plan deductible.

Q: Do You Have To Have Insurance To Use Direct Primary Care (DPC)?
A: No. But it’s important to understand that almost all DPC doctors/offices advise patients to have some form of insurance like a High Deductible Health Plan (HDHP) in the event of catastrophic event or illness. Anyone can become a DPC patient at any time.

Q: Why can’t HSA accounts currently cover DPC agreements?
A: Under current HSA rules, individuals eligible for an HSA must be covered by a high deductible plan and no other health plan. Current IRS regulations view DPC arrangements as an “other health plan”, leaving individuals with HSAs unable to use their funds for DPC. Additionally, it also precludes any individual taking advantage of DPC from having an HSA.

Q: What is the benefit of a DPC arrangement, it sounds similar to visiting your doctor?
A: DPC practices are different from traditional primary care practices. First, the cost per month is lower. Research has shown that the average cost per month for a DPC arrangement - $70 – is lower than the cost per month for access to a traditional primary care practice and drastically lower than access to concierge medicine. Further, DPC practices often dispense wholesale medications directly to their patients, resulting in large savings and improved compliance. DPC practices also don’t have to deal with insurance companies, allowing physicians and their staff to focus solely on their patients’ health outcomes, rather than dealing with billing and insurance regulations.

Q: Are There Long-Term Contract Obligations?
A: No. Most DPC doctors/offices offer services which are paid for on a month-to-month basis and patients can cancel at any time.

Q: Is DPC the same as Concierge Medicine?
A: No, DPC is not concierge medicine. In a concierge arrangement, a patient pays the provider access fees for “non-covered” services under their insurance. DPC is completely outside of the insurance framework. Further, DPC is significantly cheaper than concierge medicine – usually costing lower than $100 per month.
Q: Is DPC just for rich, healthy individuals?
No, the structure of DPC actually benefits those with chronic conditions. A patient with a chronic condition will interact with the healthcare system in a more regular basis. Such patients will require constant medication(s), lab tests and more visits to a physician. The structure of DPC covers these with a low, monthly fee.

Q: Does DPC work in rural communities?
A: Yes it does. The payment model allows clinics to be profitable without having access to thousands of patients with adequate health insurance. The ability to see fewer patients while still being profitable will allow physicians to open up their own practices in areas that need it most.

Q: What about Medicare patients?
A: Currently, patients covered under Medicare Part B cannot opt in to a DPC agreement. We do not expect expanding access to DPC for other patients to negatively impact the ability of Medicare patients to access physicians. While this model is new, it may be worth allowing DPC under Part B in the future.

Q: When the legislative fix was last introduced, it had a huge price tag, why should we do this?
A: The CBO score on the last iteration of the Primary Care Enhancement Act ran the numbers for all Americans not just those with HSAs. This created a much larger cost than the actual impact of the shift. We expect a CBO score considering the actual number of Americans that could take advantage of this change to be significantly lower.