

Alaska State Legislature

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Senator Shelley Hughes

Senate District F—Palmer, Chugiak, Peters Creek, Eklutna, Fairview Loop, Gateway, Butte, Lazy Mountain

SB 197 – Direct Healthcare Agreements

Sponsor Statement

Senate Bill 197 establishes guidelines for direct health care agreements between medical providers and patients. Direct Health Care (DHC) is a subscription for health care services in which patients, employers, or health plans pay primary care providers a flat, simple periodic fee in exchange for access to a clearly established broad range of health care services.

DHC removes some of the financial barriers patients encounter in accessing routine primary care, including preventive, wellness, and chronic care services. With a DHC plan, health care providers aren't burdened with time-consuming insurance paperwork, leaving more time to spend with patients. Under DHC agreements (there are currently over 1,400 direct primary care practices in 48 states), patients typically get same day access or next day visits and the option to call or text their clinic 24/7.

Health outcomes for patients improve under direct health as there is a focus on routine and preventative health care. Patients also feel less restrained from interacting with their provider and typically seek care before their symptoms become serious. Consequently, visits to the emergency room are also reduced.

Senate Bill 197 clearly spells out the elements of a DHC agreement and emphasizes consumer protections. Further, the bill clearly defines that Direct Health Care agreements are *not* insurance. They do, however, lower the hurdles to access for many Alaskans.

Alaskans spend more on health care per capita than any other state in the union. At a time when many Alaskans fear the uncertainties of the economy, pandemic, and global instability, direct health care agreements can provide an option for low-cost, stable access to quality healthcare.

Please join me in supporting this health care option for Alaskans.

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