

115TH CONGRESS
2D SESSION

H. R. 6310

To amend the Internal Revenue Code of 1986 to provide that direct primary care service arrangements do not disqualify deductible health savings account contributions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 6, 2018

Mr. PAULSEN introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide that direct primary care service arrangements do not disqualify deductible health savings account contributions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Primary Care En-
5 hancement Act of 2018”.

1 **SEC. 2. TREATMENT OF DIRECT PRIMARY CARE SERVICE**
2 **ARRANGEMENTS.**

3 (a) IN GENERAL.—Section 223(c)(1) of the Internal
4 Revenue Code of 1986 is amended by adding at the end
5 the following new subparagraph:

6 “(D) TREATMENT OF DIRECT PRIMARY
7 CARE SERVICE ARRANGEMENTS.—

8 “(i) IN GENERAL.—A direct primary
9 care service arrangement shall not be
10 treated as a health plan for purposes of
11 subparagraph (A)(ii).

12 “(ii) DIRECT PRIMARY CARE SERVICE
13 ARRANGEMENT.—For purposes of this
14 paragraph—

15 “(I) IN GENERAL.—The term ‘di-
16 rect primary care service arrange-
17 ment’ means, with respect to any indi-
18 vidual, an arrangement under which
19 such individual is provided medical
20 care (as defined in section 213(d))
21 consisting solely of primary care serv-
22 ices (as defined in section
23 1833(x)(2)(B) of the Social Security
24 Act) provided by primary care practi-
25 tioners (as defined in section
26 1833(x)(2)(A) of the Social Security

1 Act, determined without regard to
2 clause (ii) thereof), if the sole com-
3 pensation for such care is a fixed peri-
4 odic fee.

5 “(II) LIMITATION.—With respect
6 to any individual for any month, such
7 term shall not include any arrange-
8 ment if the aggregate fees for all di-
9 rect primary care service arrange-
10 ments (determined without regard to
11 this subclause) with respect to such
12 individual for such month exceed
13 \$150 (twice such dollar amount in the
14 case of an individual with any direct
15 primary care service arrangement (as
16 so determined) that covers more than
17 one individual).

18 “(iii) CERTAIN SERVICES SPECIFI-
19 CALLY EXCLUDED FROM TREATMENT AS
20 PRIMARY CARE SERVICES.—For purposes
21 of this paragraph, the term ‘primary care
22 services’ shall not include—

23 “(I) procedures that require the
24 use of general anesthesia,

1 “(II) prescription drugs (other
2 than vaccines), and

3 “(III) laboratory services not
4 typically administered in an ambula-
5 tory primary care setting.

6 The Secretary, after consultation with the
7 Secretary of Health and Human Services,
8 shall issue regulations or other guidance
9 regarding the application of this clause.”.

10 (b) DIRECT PRIMARY CARE SERVICE ARRANGEMENT
11 FEES TREATED AS MEDICAL EXPENSES.—Section
12 223(d)(2)(C) is amended by striking “or” at the end of
13 clause (iii), by striking the period at the end of clause (iv)
14 and inserting “, or”, and by adding at the end the fol-
15 lowing new clause:

16 “(v) any direct primary care service
17 arrangement.”.

18 (c) INFLATION ADJUSTMENT.—Section 223(g)(1) of
19 such Code is amended—

20 (1) by striking “and (c)(2)(A)” and inserting “,
21 (c)(1)(D)(ii)(II), and (c)(2)(A)”, and

22 (2) in subparagraph (B), by striking “clause
23 (ii)” and inserting “clauses (ii) and (iii)” in clause
24 (i), by striking “and” at the end of clause (i), by
25 striking the period at the end of clause (ii) and in-

1 serting “, and”, and by inserting after clause (ii) the
 2 following new clause:

3 “(iii) in the case of the dollar amount
 4 in subsection (c)(1)(D)(ii)(II) for taxable
 5 years beginning in calendar years after
 6 2019, ‘calendar year 2018’.”.

7 (d) REPORTING OF DIRECT PRIMARY CARE SERVICE
 8 ARRANGEMENT FEES ON W-2.—Section 6051(a) of such
 9 Code is amended by striking “and” at the end of para-
 10 graph (16), by striking the period at the end of paragraph
 11 (17) and inserting “, and”, and by inserting after para-
 12 graph (17) the following new paragraph:

13 “(18) in the case of a direct primary care serv-
 14 ice arrangement (as defined in section
 15 223(c)(1)(D)(ii)) which is provided in connection
 16 with employment, the aggregate fees for such ar-
 17 rangement for such employee.”.

18 (e) EFFECTIVE DATE.—The amendments made by
 19 this subsection shall apply to months beginning after De-
 20 cember 31, 2018, in taxable years ending after such date.

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