



The Primary Care Enhancement Act of 2015

- Clarifies that Direct Primary Care (DPC) medical homes are medical services and not health plans or “gap coverage” under §223 (c) of the tax code relating to Health Savings Accounts (HSAs). Removes any real or perceived prohibition on individuals with HSAs having a relationship with a DPC practice.
- Defines DPC services as a qualified health expense under the §213 (d) of the tax code, allowing individuals with HSAs paired with high deductible health plans to pay for DPC services with their HSAs.
- Creates a new payment pathway for DPC as an alternative payment model (APM) in Medicare (and with Dual Eligibles) that would allow CMS to pay practices an affordable flat fee up to 20% of the average overall cost of care.
 - Program starts as a demonstration under the CMS Center for Innovation and would become permanent for any practice showing improved outcomes over FFS in a three-year period.
 - Does not allow for “balance billing” for covered primary care services already covered in the DPC arrangement.
 - Includes a waiver provision to allow qualified physicians who have opted out of Medicare to participate in the program at any time
 - Allows for Medicare Advantage plans to pair with DPC practices as primary care partners in an ACO-like structure.