

Proponent testimony of DAVID J POWELL, CLU, ChFC, CFP, RHU

DAVID J POWELL has been in the insurance business for 38 years. David has earned 4 graduate level advanced degrees in insurance, each degree requiring 150+ hours of graduate level courses. DAVID J POWELL is considered an expert on insurance.

Testimony regarding HB 2225

Medical retainer agreements do NOT constitute insurance.

Over the past nearly 5 years I have worked with Direct Primary Care doctors to help them build an innovative approach to providing medical care to their patients.

The model I have worked on is one that does NOT take or process insurance coverage for their patients. Instead services are provided based upon a membership model. Members pay a monthly fee for availability to their doctor 24/7, 365 for primary care services in their home, in the providers office, at work and electronically.

Much like a hospital pays a physician to be “on call” at the ER, these doctors are on call for their patients, when needed. Being on call does not constitute insurance.

Since the provider does not take insurance nor process insurance claims, they are able to provide these quality services at a substantial cost saving to the provider and the patient.

In an insurance model of practice, it generally requires 5 to 7 staff just to handle the volume of reporting and filing of paperwork with the insurance companies PER doctor.

Since they do not take insurance, these providers came to me with a need to find insurance plans that wrap around their practices. They address the Primary care needs, Family Practice if you will, that still leaves a void if a patient has need of a specialist, emergency room situation or must be hospitalized.

I have been able to custom design plans that, for the most part, are able to carve out their services, while covering the areas where insurance is needed by a patient.

In doing so, we have developed relationships with some insurance companies willing to reward such plan design with much lower costs to provide insurance coverage.

The Medical Retainer Agreements is a service contract, not “contracts of insurance, indemnity or suretyship in this state upon any type of risk or loss...” as defining an insurance company in section 40-222c.

There is no “group sharing of an individual loss” which is the textbook definition of Insurance.

Therefore Medical retainer agreements do NOT constitute insurance.