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## State allows primary care doctors to offer innovative payment arrangement

(Salem) — Primary care practices can now charge patients a set fee that is paid regularly, such as monthly, in return for specific health care services. However, doctor offices using this approach must register with the state.

This new “retainer” payment option may appeal to consumers who do not have insurance or who might have only a medical plan that covers them for catastrophic care but not routine services such as immunizations or checkups.

These retainer agreements are not insurance so no insurance company is involved. The primary care services offered, the amount of the fees and whether they are charged monthly, annually, or for some other time period, vary by practice. The details are outlined in the agreement between patients and the practice.

A law passed by the 2011 Legislature requires doctor offices to clearly disclose cost and coverage, and requires practices using this approach to register with the Insurance Division, part of the Department of Consumer and Business Services.

“It’s important that patients carefully read a practice’s agreement to understand what’s covered and not covered,” Acting Insurance Division Administrator Lou Savage said.

Primary care involves routine, nonspecialty office services that promote wellness or diagnose and manage chronic conditions. It does not include hospitalization or major surgery.

Doctors with retainer practices must tell patients that their payment approach is not insurance and that patients must pay for any services not offered through the agreement. However, consumers considering this approach are free to buy insurance to cover more costly medical services.

“This new law protects consumers by requiring medical practices to disclose details of the payment arrangement while hopefully improving access to the type of care that is designed to keep people healthy,” Savage said.

Some physicians believe this approach will allow them to spend more time with patients and less time billing insurance companies.

Consumers with questions about retainer practices and how they differ from insurance may call the Insurance Division’s consumer advocates at 888-877-4894.

While it is unknown how many of these practices exist in Oregon, nearly 9,000 patients were enrolled in retainer practices in Washington in 2010, according to a study by the Washington State Office of the Insurance

Commissioner. Washington lawmakers passed legislation in 2007, allowing retainer practices to operate without insurance-type regulation.

Additional information on the Insurance Division website includes:

- A consumer fact sheet explaining retainer practices: [http://insurance.oregon.gov/consumer/consumer-tips/4845-26\\_retainer-medical-practices.pdf](http://insurance.oregon.gov/consumer/consumer-tips/4845-26_retainer-medical-practices.pdf).
- Physician registration information: <http://insurance.oregon.gov/insurer/retainer-medical-practices/retainer-medical-practices.html>.

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