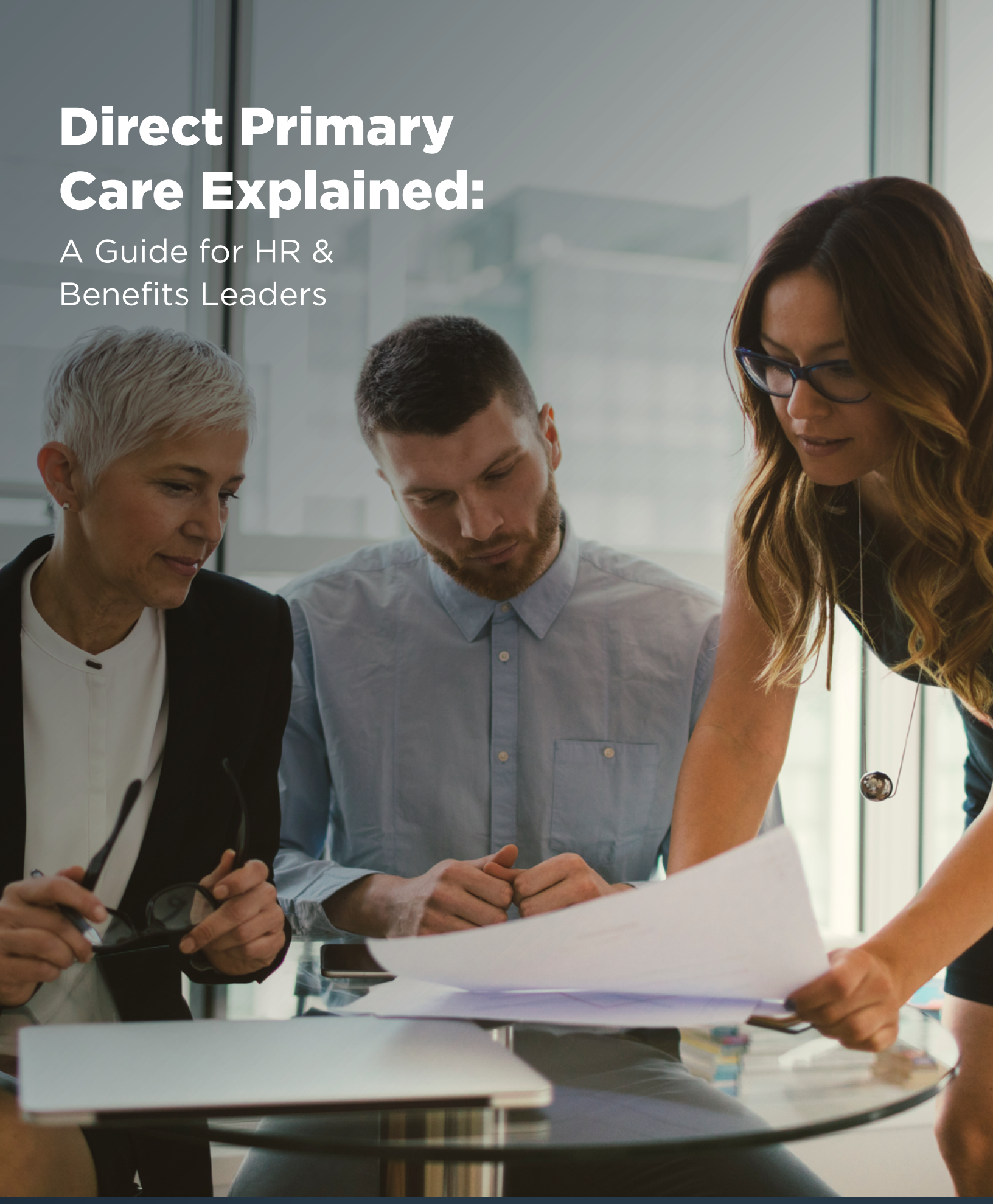
Direct Primary Care Explained:

A Guide for HR & Benefits Leaders



The headlines focus on policy, but for HR leaders the real story is strategy. Direct Primary Care can expand access, improve employee health outcomes and create cost predictability, but it is not a one-size-fits-all solution.

Here's what CHROs and HR leaders need to know as they consider DPC in their 2026 benefits strategy.

What is Direct Primary Care?

Direct Primary Care is a fixed-fee membership model where employees pay (or their employer pays) a monthly fee for unlimited access to primary care services.

Think of it as a gym membership: whether you go once or ten times in a month, your fee covers the visits. Employees may gain longer appointment times, same-day or next-day access and a deeper relationship with their provider. Employers gain a model that keeps care outside the traditional claims system, potentially reducing plan costs and improving outcomes.

How Direct Primary Care differs from concierge care and telehealth:

- **Concierge** care often charges a fee for enhanced access but visits still bill through insurance
- **Telehealth** is typically "pay-per-visit" at the member or plan level and more transactional
- **DPC** covers unlimited visits under one membership fee, often blending in-person and virtual access.

Why Now

OBBBA creates a clear opening for employers. Beginning January 1, 2026, DPC arrangements can be paired with HSA-eligible high-deductible health plans, as long as the membership fee does not exceed $150/month for individuals or $300/month for families.

This change addresses a major barrier: previously, employees using DPC risked losing their HSA eligibility. With that barrier removed, employers now have a compliant pathway to incorporate DPC into their benefits strategy.

Is DPC Right for Your Organization?

While DPC offers compelling advantages, it isn't universally available. HR leaders should evaluate three key fit factors:

1. Geography and Access

- DPC is highly regional. Large national employers may be challenged with inconsistent availability across markets.
- For employers with concentrated populations in urban or suburban areas, DPC can be a strong fit. Rural locations may have fewer viable options.

2. Workforce Health Goals

- DPC is ideal for organizations focused on preventive care and population health. Unlimited access removes cost barriers, encouraging employees to seek care before conditions worsen.
- It aligns particularly well with strategies to reduce chronic conditions, absenteeism and downstream claims costs.

3. Plan Structure and Funding

- Self-funded employers can often see clearer savings because they control their claims data and renewal process.
- Fully insured employers may not see immediate premium credit from carriers, making ROI more difficult to quantify.
- For some organizations, a voluntary or cost-share model may be the right first step.

Pitfalls to Avoid

The DPC model is promising, but HR leaders should consider the following:

- **Data Blind Spots**
  Because DPC providers operate outside the claims system, reporting can be limited. Employers should require quality and utilization data to track outcomes and ROI.
- **Access Inequities**
  If only a portion of employees live near a DPC clinic, the benefit can create uneven value. Mapping provider networks against employee locations is essential.
- **Accountability Gaps**
  Providers should be held to preventive and chronic care metrics. Without accountability, it's difficult to know whether DPC is improving health outcomes.
- **Leadership Support**
  Strong executive backing helps, but adoption decisions should align with workforce needs and compliance standards.

Defining Success

Employers that see the most value from DPC focus on design and communication as much as the vendor contract.

- **Integrated Communication Strategy**
  Don't rely solely on vendor flyers. Develop clear messaging that explains what DPC is, how it works and why it matters.
- **Positive Enrollment**
  Require employees to actively opt in. This ensures dollars are tied to actual utilization, reducing wasted spend.
- **Align With Incentives**
  Incorporate DPC into wellness or incentive programs. For example, allow employees to complete biometric screenings or annual physicals through their DPC provider for credit.
- **Partnership Approach**
  Work with providers as partners. Set expectations for reporting, quality metrics and engagement while framing accountability as a shared goal: better health outcomes and stronger ROI.

Direct Primary Care is now a viable option in the mainstream benefits landscape. With OBBBA removing the compliance barrier, HR leaders should evaluate whether DPC belongs in their 2026 roadmap.

Done right, DPC can:

- Improve employee access to care
- Strengthen preventive health and chronic condition management
- Contain claims costs over time
- Differentiate your organization in a competitive talent market

The opportunity is clear. The challenge is aligning with workforce needs, ensuring accountability and keeping the long view in mind. For HR leaders ready to innovate, DPC can be both a compliance win and a strategic advantage.

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