

A New Era for Employee Benefits: HSA-Eligible Direct Primary Care Set to Reshape Workplace Healthcare in 2026

Nextera Healthcare is ready to lead the next phase of DPC adoption as employers prepare for the biggest benefits innovation in over a decade

LONGMONT, CO, UNITED STATES, August 6, 2025 /EINPresswire.com/ -- HR and benefits leaders

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Dr. Clint Flanagan, Nextera Healthcare

now have a powerful new tool to reshape their health benefit strategies. With the passage of the H.R. 1 tax reform bill, beginning January 1, 2026, employers and employees will be able to use Health Savings Account (HSA) funds to pay for Direct Primary Care (DPC) memberships—a breakthrough that eliminates a decades-old federal regulatory barrier and signals a new era of accessible, cost-effective, and relationship-driven healthcare.

“This is the turning point we’ve been working toward for over a decade,” said Dr. Clint Flanagan, founder of [Nextera Healthcare](#), the nation’s largest physician-led and owned

DPC network, a long-time advocate, and one of the founding members of the [Direct Primary Care Coalition](#). “For HR and benefits leaders, this reform is the green light to offer a high-impact, low-friction benefit that strengthens recruitment, retention, and employee well-being—all while controlling costs.”

DPC supporters have urged the IRS for many years to modernize outdated interpretations that treated DPC as a second health plan. Jay Keese, of the Washington, DC-based Direct Primary Care Coalition, who was instrumental helping pass the law, said, “This is a significant change in the tax code that empowers employers to work with their benefits team, employees, and trusted physicians to make relationship-centered DPC a reality for companies large and small.”

The flawed interpretation of DPC in the tax code has made individuals ineligible to contribute to HSAs if they enrolled in a DPC program. This barrier is now eliminated as the new law explicitly allows pre-tax HSA dollars to fund DPC memberships—up to \$150/month for individuals or \$300/month for families. “The 61 million Americans who were ineligible to have a DPC

arrangement because they fund an HSA are newly eligible for the best primary care in America using DPC,” said Mr. Keese.

According to Dr. Flanagan, as healthcare costs continue to rise and talent competition intensifies, the new law opens the door to a value-based benefit model that aligns with the priorities of HR and benefits teams:

- Lower healthcare spend and tax advantages. DPC memberships can now be funded with pre-tax dollars, creating a powerful complement to High Deductible Health Plans (HDHPs) while preserving HSA eligibility.
- Competitive edge in recruitment and retention. Employees enrolled in a DPC practice are offered same-day appointments, 24/7 physician access, and longer, relationship-focused visits – all driving increased satisfaction and engagement.
- Boost productivity and reduce absenteeism. By addressing 90% of healthcare needs in the primary care setting, DPC reduces costly ER visits, manages chronic conditions effectively, keeps employees healthier and at work, and supports long-term population health strategies.
- No cost-sharing for primary care. DPC keeps benefits plans simple while enhancing access to trusted care providers.

Reinvigorating Primary Care

The reform also breathes new life into the primary care workforce. Under fee-for-service, many physicians face burnout and overwhelming administrative loads. DPC flips that model, restoring autonomy, deeper patient relationships, and sustainable practices. “Nobody becomes a doctor to churn through 30+ visits a day, work 60+ hours a week, and spend a third of that time keystroking on the computer for payment,” said Dr. Flanagan. “DPC is about returning medicine to its roots, enabling physicians to deliver personal, proactive, and accessible care.”

Prepare now for the coming change

The reformed law will serve as a tremendous catalyst for further DPC growth, and now is the time to prepare for this shift, according to Dr. Flanagan. “HR leaders who act early will be best positioned to leverage this benefit in upcoming open enrollment cycles and stay ahead in the competition for talent,” he said. “Building on our proven track record of success, Nextera teams around the country are fully prepared to help employers of all scope and sizes integrate DPC as a cornerstone of their benefit strategy.”

For more information or to connect with Nextera’s DPC benefits team: contact Maggie Sabatino at maggie@nexterahealthcare.com or visit www.nexterahealthcare.com.

“The federal recognition of DPC as an eligible HSA medical expense is more than a policy win,” says Dr. Flanagan. “It is a cultural pivot in American healthcare that rewards accessibility, prevention, and the human connection at the heart of medicine.”

About Nextera Healthcare

Founded in 2009, Nextera Healthcare is a pioneer in the Direct Primary Care model, empowering

employers and individuals to take control of their healthcare. With a rapidly growing footprint of almost 200 clinics in 25 states, and a mission rooted in trust and access, Nextera is now the nation's largest physician-led and owned DPC network.

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