

SENATE BILL 328

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J2

2000 Regular Session  
(01r1683)

**ENROLLED BILL**  
-- Finance/Environmental Matters --

Introduced by **Senators Lawlah, Roesser, Hogan, Pinsky, Dorman, Exum,  
Currie, Green, Baker, Miller, Teitelbaum, Kelley, Hollinger, Hafer,  
Forehand, Frosh, and Hughes**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER 519

1 AN ACT concerning

2 **~~Task Force on Discrimination in Health Care Credentialing Decisions~~**  
3 **Health Care Credentialing Study**

4 FOR the purpose of ~~establishing a Task Force on Discrimination in Health Care~~  
5 ~~Credentialing Decisions; establishing the membership of the Task Force;~~  
6 ~~establishing duties of the Task Force; requiring the Task Force to submit to the~~  
7 ~~Governor, the General Assembly, and the Legislative Policy Committee a final~~  
8 ~~report on its findings and recommendations~~ requiring a study on credentialing  
9 of health care professionals by a certain institution; requiring a report to the  
10 Governor and General Assembly before a certain date, including findings and  
11 recommendations; providing for funding of the study; providing for the  
12 termination of this Act; and generally relating to physicians, nurse anesthetists,  
13 nurse midwives, and social workers and credentialing decisions regarding  
14 physicians, nurse anesthetists, nurse midwives, and social workers.

1 ~~BY adding to~~  
 2 ~~Article Health Occupations~~  
 3 ~~Section 14-509~~  
 4 ~~Annotated Code of Maryland~~  
 5 ~~(1994 Replacement Volume and 1999 Supplement)~~

6 Preamble

7 ~~WHEREAS, Over the last few years, there has been an increase in the number~~  
 8 ~~of women, people of color, and other minorities who are practicing physicians; and~~

9 ~~WHEREAS, There is evidence that the decisions of credentialing organizations~~  
 10 ~~have adversely affected women, people of color, and other minorities; and~~

11 ~~WHEREAS, Credentialing organizations have a profound impact upon the~~  
 12 ~~ability of all physicians, including physicians who are women, people of color, and~~  
 13 ~~minorities, to practice medicine; and~~

14 ~~WHEREAS, Credentialing organizations have a profound impact on the ability~~  
 15 ~~of nurse anesthetists, nurse midwives, and social workers to practice their professions;~~  
 16 ~~and~~

17 ~~WHEREAS, There has been an increase in the number of bills introduced in the~~  
 18 ~~General Assembly annually relating to credentialing by hospitals of health care~~  
 19 ~~professionals; and~~

20 ~~WHEREAS, The General Assembly would be assisted by a study in developing~~  
 21 ~~legislation to address credentialing issues; and~~

22 ~~WHEREAS, Hospitals are given the right to determine staff privileges and the~~  
 23 ~~denial of privileges can exclude a physician, nurse anesthetist, nurse midwife, and~~  
 24 ~~social worker from the ability to practice in his or her community; ~~and~~~~

25 ~~WHEREAS, Recent court decisions indicate that the provisions of Article 49B of~~  
 26 ~~the Code forbidding discrimination in employment do not apply to issues of hospital~~  
 27 ~~staff privileges because the physician is not an "employee" of the hospital; and~~

28 ~~WHEREAS, Maryland law provides protection from such discrimination by~~  
 29 ~~insurance carriers in the selection of provider panels in § 5-112 of the Insurance~~  
 30 ~~Article, but provides no similar protection with respect to hospitals and other~~  
 31 ~~credentialing organizations; now, therefore,~~

32 ~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF~~  
 33 ~~MARYLAND, That the Laws of Maryland read as follows:~~

~~Article—Health Occupations~~

1  
2 ~~14-509.~~

3 ~~(A) THERE IS A TASK FORCE ON DISCRIMINATION BY HEALTH CARE~~  
4 ~~CREDENTIALING ORGANIZATIONS.~~

5 ~~(B) THE TASK FORCE CONSISTS OF THE FOLLOWING 13 MEMBERS:~~

6 ~~(1) TWO MEMBERS OF THE SENATE, APPOINTED BY THE PRESIDENT OF~~  
7 ~~THE SENATE, ONE OF WHOM SHALL SERVE AS CO-CHAIR OF THE TASK FORCE;~~

8 ~~(2) TWO MEMBERS OF THE HOUSE, APPOINTED BY THE SPEAKER OF THE~~  
9 ~~HOUSE, ONE OF WHOM SHALL SERVE AS CO-CHAIR OF THE TASK FORCE;~~

10 ~~(3) THREE MEMBERS OF THE PUBLIC APPOINTED BY THE GOVERNOR;~~

11 ~~(4) ONE MEMBER FROM A LIST SUBMITTED BY THE MARYLAND~~  
12 ~~HOSPITAL ASSOCIATION APPOINTED BY THE GOVERNOR;~~

13 ~~(5) TWO REPRESENTATIVES OF THE BOARD OF PHYSICIAN QUALITY~~  
14 ~~ASSURANCE APPOINTED BY THE GOVERNOR;~~

15 ~~(6) TWO MEMBERS FROM A LIST SUBMITTED BY THE MEDICAL AND~~  
16 ~~CHIRURGICAL FACULTY OF MARYLAND APPOINTED BY THE GOVERNOR; AND~~

17 ~~(7) ONE REPRESENTATIVE FROM THE DEPARTMENT OF HEALTH AND~~  
18 ~~MENTAL HYGIENE APPOINTED BY THE GOVERNOR.~~

19 ~~(C) THE TASK FORCE SHALL:~~

20 ~~(1) STUDY THE EXCLUSION OF WOMEN, PEOPLE OF COLOR, AND OTHER~~  
21 ~~MINORITIES BY CREDENTIALING ORGANIZATIONS INCLUDING HOSPITALS;~~

22 ~~(2) CONDUCT HEARINGS AS CONSIDERED APPROPRIATE; AND~~

23 ~~(3) REVIEW FEDERAL AND STATE LAW TO ENSURE THAT THERE IS~~  
24 ~~ADEQUATE OPPORTUNITY FOR REDRESS FOR PHYSICIANS COMPLAINING ABOUT~~  
25 ~~EXCLUSION BY HOSPITALS AND CREDENTIALING ORGANIZATIONS.~~

26 ~~(D) THE TASK FORCE SHALL SUBMIT A REPORT ON ITS FINDINGS AND~~  
27 ~~RECOMMENDATIONS TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE~~  
28 ~~GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY AND THE LEGISLATIVE POLICY~~  
29 ~~COMMITTEE ON OR BEFORE NOVEMBER 30, 2000.~~

30 ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect~~  
31 ~~June 1, 2000.~~

32 ~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF~~  
33 ~~MARYLAND, That:~~

- 1       (a)     ~~There is a Task Force on Discrimination in Health Care Credentialing~~  
2 ~~Decisions;~~
- 3       (b)     ~~The Task Force consists of the following eight members:~~
- 4             (1)     ~~One member of the Senate of Maryland, appointed by the President~~  
5 ~~of the Senate;~~
- 6             (2)     ~~One member of the House of Delegates, appointed by the Speaker of~~  
7 ~~the House;~~
- 8             (3)     ~~Two members of the public, appointed by the Governor;~~
- 9             (4)     ~~One member from a list submitted by the Maryland Hospital~~  
10 ~~Association, appointed by the Governor;~~
- 11            (5)     ~~One representative of the Board of Physician Quality Assurance,~~  
12 ~~appointed by the Governor;~~
- 13            (6)     ~~One member from a list submitted by the Medical and Chirurgical~~  
14 ~~Faculty of Maryland, appointed by the Governor; and~~
- 15            (7)     ~~One representative from the Department of Health and Mental~~  
16 ~~Hygiene, appointed by the Governor;~~
- 17       (c)     ~~The members of the Senate of Maryland and the House of Delegates shall~~  
18 ~~serve as co chairs of the Task Force;~~
- 19       (d)     ~~The Task Force shall:~~
- 20             (1)     ~~Study the impact of credentialing organization decisions on women,~~  
21 ~~people of color, and other minorities;~~
- 22             (2)     ~~Conduct hearings as considered appropriate; and~~
- 23             (3)     ~~Review federal and State law and hospital policies, procedures, and~~  
24 ~~requirements related to credentialing to ensure that there is adequate opportunity for~~  
25 ~~redress for physicians complaining about exclusion by hospitals and credentialing~~  
26 ~~organizations; and~~
- 27       (e)     ~~The Task Force shall be staffed by the Department of Legislative Services~~  
28 ~~and shall submit a report on its findings and recommendations to the Governor and,~~  
29 ~~subject to § 2-1246 of the State Government Article, to the General Assembly and the~~  
30 ~~Legislative Policy Committee on or before November 30, 2000.~~
- 31       ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect~~  
32 ~~June 1, 2000. It shall remain effective for a period of 6 months and, at the end of~~  
33 ~~November 30, 2000, with no further action required by the General Assembly, this Act~~  
34 ~~shall be abrogated and of no further force and effect.~~

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That:

3 (1) The Schaefer Center for Public Policy at the University of Baltimore,  
4 Baltimore City, is directed to study and review Federal and State law and hospital  
5 policies, procedures, and requirements related to credentialing to ensure that there is  
6 adequate opportunity for redress of the complaints of physicians, nurse anesthetists,  
7 nurse midwives, and social workers relating to exclusion by hospitals and  
8 credentialing organizations;

9 (2) Funding for the study shall be as provided in the State budget; and

10 (3) The Schaefer Center for Public Policy shall submit a report on its  
11 findings and recommendations to the Governor and, subject to § 2-1246 of the State  
12 Government Article, to the General Assembly and the Legislative Policy Committee  
13 within 60 days of completion of the study.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 June 1, 2000. It shall remain effective for a period of 6 months and, at the end of  
16 November 30, 2000, with no further action required by the General Assembly, this Act  
17 shall be abrogated and of no further force and effect.