

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 386 (Senator Bromwell)

Finance

Insurance - Carriers - Uniform Credentialing Forms

This bill requires health insurers, nonprofit health service plans, HMOs (carriers), and entities that arrange provider panels for carriers to make the uniform credentialing form available to any health care provider that is to be credentialed or recredentialed by the carrier for purposes of being on the carrier's provider panel. The uniform credentialing form is the current application form prepared by the Medical Society Credentials Verification Organizations of America. A carrier may issue an addendum to the uniform credentialing form to request additional information from a provider. The bill also requires carriers to accept the uniform credentialing form and any issued addendum as the application for a health care provider to be credentialed or recredentialed. The Insurance Commissioner may impose a maximum fine of \$500 for each violation of the bill.

In addition, the bill establishes a 14-member Task Force on a Uniform Addendum to the Uniform Credentialing Form. The task force must examine the feasibility and use of a uniform addendum to the uniform credentialing form to request additional information from health care providers for purposes of credentialing or recredentialing providers for participation on a provider panel. The task force must report its findings and any recommendations to the General Assembly by February 1, 1999.

The provisions relating to the task force take effect July 1, 1998 and sunset February 1, 1999. Otherwise, the bill takes effect October 1, 1998.

Fiscal Summary

State Effect: General fund revenues could increase by an indeterminate minimal amount due to the bill's monetary penalty provision. Any costs associated with the task force could be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

Small Business Effect: Complying with the requirements of this bill may impose an administrative cost on carriers. Any effect on premiums as a result of these administrative costs, however, is expected to be minimal. Since the credentialing format tends to vary by carriers, the bill could simplify the administrative process for credentialing for some small business health care providers.

Information Source(s): Insurance Administration; Department of Health and Mental Hygiene (Medical Care Policy Administration, Health Care Access and Cost Commission); Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 11, 1998
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