

SENATE BILL 641

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1999 Regular Session  
9r0823  
CF 9r1683

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By: **Senator Bromwell**

Introduced and read first time: February 5, 1999

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Health Insurance - Carriers and Credentialing Intermediaries - Uniform**  
3                                   **Credentialing Form**

4 FOR the purpose of requiring a carrier or its credentialing intermediary to accept a  
5 certain form for certain purposes; requiring a carrier or its credentialing  
6 intermediary to make available a certain form to a health care provider that is  
7 to be credentialed or recredentialed by that carrier or credentialing  
8 intermediary; establishing a task force to select the uniform credentialing form;  
9 providing for the membership, responsibilities, and duration of the task force;  
10 requiring the task force to submit a certain report by a certain date; requiring  
11 the Insurance Commissioner to designate a uniform credentialing form under  
12 certain circumstances; requiring the Commissioner to adopt certain regulations;  
13 providing for the termination of a portion of this Act; providing for a delayed  
14 effective date; authorizing the Commissioner to impose a certain penalty for a  
15 violation of this Act; defining certain terms; and generally relating to the use of  
16 a uniform credentialing form by a health insurance carrier and credentialing  
17 intermediaries.

18 BY adding to  
19 Article - Insurance  
20 Section 15-112.1  
21 Annotated Code of Maryland  
22 (1997 Volume and 1998 Supplement)

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

25                                   **Article - Insurance**

26 15-112.1.

27 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
28 INDICATED.

29 (2) (I) "CARRIER" MEANS:

- 1 1. AN INSURER;
- 2 2. A NONPROFIT HEALTH SERVICE PLAN;
- 3 3. A HEALTH MAINTENANCE ORGANIZATION;
- 4 4. A DENTAL PLAN ORGANIZATION; OR
- 5 5. ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT
- 6 PLANS SUBJECT TO REGULATION BY THE STATE.

7 (II) "CARRIER" INCLUDES AN ENTITY THAT ARRANGES A PROVIDER  
8 PANEL FOR A CARRIER.

9 (3) "CREDENTIALING INTERMEDIARY" MEANS A PERSON TO WHOM A  
10 CARRIER HAS DELEGATED CREDENTIALING OR RECREDENTIALING AUTHORITY AND  
11 RESPONSIBILITY.

12 (4) "HEALTH CARE PROVIDER" MEANS AN INDIVIDUAL WHO IS  
13 LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH  
14 OCCUPATIONS ARTICLE TO PROVIDE HEALTH CARE SERVICES.

15 (5) "PROVIDER PANEL" MEANS THE PROVIDERS THAT CONTRACT WITH A  
16 CARRIER TO PROVIDE HEALTH CARE SERVICES TO THE ENROLLEES UNDER A  
17 HEALTH BENEFIT PLAN OF THE CARRIER.

18 (6) "UNIFORM CREDENTIALING FORM" MEANS THE FORM DESIGNATED  
19 BY THE COMMISSIONER THROUGH REGULATION FOR USE BY A CARRIER OR ITS  
20 CREDENTIALING INTERMEDIARY FOR CREDENTIALING AND RECREDENTIALING A  
21 HEALTH CARE PROVIDER FOR PARTICIPATION ON A PROVIDER PANEL.

22 (B) (1) A CARRIER OR ITS CREDENTIALING INTERMEDIARY SHALL ACCEPT  
23 THE UNIFORM CREDENTIALING FORM AS THE SOLE APPLICATION FOR A HEALTH  
24 CARE PROVIDER TO BECOME CREDENTIALLED OR RECREDENTIALLED FOR A PROVIDER  
25 PANEL OF THE CARRIER.

26 (2) A CARRIER OR ITS CREDENTIALING INTERMEDIARY SHALL MAKE  
27 THE UNIFORM CREDENTIALING FORM AVAILABLE TO ANY HEALTH CARE PROVIDER  
28 THAT IS TO BE CREDENTIALLED OR RECREDENTIALLED BY THAT CARRIER OR  
29 CREDENTIALING INTERMEDIARY.

30 (C) THE COMMISSIONER MAY IMPOSE A PENALTY NOT TO EXCEED \$500  
31 AGAINST ANY CARRIER OR ITS CREDENTIALING INTERMEDIARY FOR EACH  
32 VIOLATION OF THIS SECTION.

33 SECTION 2. AND BE IT FURTHER ENACTED, That:

34 (a) There is a Task Force to Develop a Uniform Credentialing Form consisting  
35 of 15 members.

36 (b) The membership of the Task Force consists of:

- 1           (1)     three representatives from the Medical Group Management  
2 Association;
- 3           (2)     three representatives from the Medical-Chirurgical Faculty of  
4 Maryland;
- 5           (3)     two representatives of the health maintenance organization industry;
- 6           (4)     two representatives of the Maryland Hospital Association;
- 7           (5)     one representative of a nonprofit health service plan;
- 8           (6)     one representative of a nonprofit community or business  
9 organization;
- 10          (7)     one representative of a dental plan organization;
- 11          (8)     1 representative of the Department of Health and Mental Hygiene;  
12 and
- 13          (9)     one representative of the Maryland Insurance Administration.

14       (c)     The representative of the Maryland Insurance Administration is the  
15 chairperson of the Task Force.

16       (d)     The Maryland Insurance Administration shall provide appropriate  
17 personnel to staff the Task Force.

18       (e)     (1)     The Task Force shall strive to reach an agreement by October 1, 1999  
19 on the selection of a uniform credentialing form to be used by a carrier or its  
20 credentialing intermediary in credentialing and recredentialing a health care  
21 provider for participation on a provider panel.

22           (2)     The Task Force may select a uniform credentialing form that is  
23 developed by the Task Force or based on an existing model form.

24       (f)     If by October 1, 1999, the Task Force has not selected a uniform  
25 credentialing form, the Commissioner shall adopt by regulation a uniform  
26 credentialing form based on an existing model form.

27       (g)     By January 1, 2000, the Commissioner shall adopt regulations requiring  
28 the use of the uniform credentialing form selected under subsection (e) or (f) of this  
29 section for the credentialing and recredentialing of a health care provider by a carrier  
30 or its credentialing intermediary for participation on a provider panel.

31       (h)     On or before October 1, 1999, subject to § 2-1246 of the State Government  
32 Article, the Task Force shall submit a report on its findings, including any  
33 recommendations, to the President of the Senate of Maryland, the Speaker of the  
34 Maryland House of Delegates, and the respective Chairmen of the Senate Finance  
35 Committee and the House Economic Matters Committee.

1 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
2 take effect June 1, 1999, and at the end of October 1, 1999, with no further action  
3 required by the General Assembly, Section 2 of this Act shall be abrogated and of no  
4 further force and effect.

5 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions  
6 of Section 3 of this Act, this Act shall take effect January 1, 2000.