

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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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 9, 1999

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CHAPTER \_\_\_\_\_

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 ~~and make certain considerations; providing for the termination of a portion of~~  
14 ~~this Act; providing for a delayed effective date; authorizing the Commissioner to~~  
15 impose a certain penalty for a violation of this Act; defining certain terms; and  
16 generally relating to the use of a uniform credentialing form by a health  
17 insurance carrier and credentialing 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:

1

**Article - Insurance**

2 15-112.1.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
4 INDICATED.

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

6 1. AN INSURER;

7 2. A NONPROFIT HEALTH SERVICE PLAN;

8 3. A HEALTH MAINTENANCE ORGANIZATION;

9 4. A DENTAL PLAN ORGANIZATION; OR

10 5. ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT  
11 PLANS SUBJECT TO REGULATION BY THE STATE.

12 (II) "CARRIER" INCLUDES AN ENTITY THAT ARRANGES A PROVIDER  
13 PANEL FOR A CARRIER.

14 (3) "CREDENTIALING INTERMEDIARY" MEANS A PERSON TO WHOM A  
15 CARRIER HAS DELEGATED CREDENTIALING OR RECREDENTIALING AUTHORITY AND  
16 RESPONSIBILITY.

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

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

23 (6) "UNIFORM CREDENTIALING FORM" MEANS THE FORM DESIGNATED  
24 BY THE COMMISSIONER THROUGH REGULATION FOR USE BY A CARRIER OR ITS  
25 CREDENTIALING INTERMEDIARY FOR CREDENTIALING AND RECREDENTIALING A  
26 HEALTH CARE PROVIDER FOR PARTICIPATION ON A PROVIDER PANEL.

27 (B) (1) A CARRIER OR ITS CREDENTIALING INTERMEDIARY SHALL ACCEPT  
28 THE UNIFORM CREDENTIALING FORM AS THE SOLE APPLICATION FOR A HEALTH  
29 CARE PROVIDER TO BECOME CREDENTIALLED OR RECREDENTIALLED FOR A PROVIDER  
30 PANEL OF THE CARRIER.

31 (2) A CARRIER OR ITS CREDENTIALING INTERMEDIARY SHALL MAKE  
32 THE UNIFORM CREDENTIALING FORM AVAILABLE TO ANY HEALTH CARE PROVIDER  
33 THAT IS TO BE CREDENTIALLED OR RECREDENTIALLED BY THAT CARRIER OR  
34 CREDENTIALING INTERMEDIARY.

1 (C) THE COMMISSIONER MAY IMPOSE A PENALTY NOT TO EXCEED \$500  
 2 AGAINST ANY CARRIER ~~OR ITS CREDENTIALING INTERMEDIARY~~ FOR EACH  
 3 VIOLATION OF THIS SECTION BY THE CARRIER OR ITS CREDENTIALING  
 4 INTERMEDIARY.

5 (D) (1) THE COMMISSIONER SHALL ADOPT REGULATIONS TO IMPLEMENT  
 6 THE PROVISIONS OF THIS SECTION.

7 (2) IN ADOPTING THE REGULATIONS REQUIRED UNDER PARAGRAPH (1)  
 8 OF THIS SUBSECTION, THE COMMISSIONER SHALL CONSIDER THE USE OF AN  
 9 ELECTRONIC FORMAT FOR THE UNIFORM CREDENTIALING FORM AND THE FILING  
 10 OF THE UNIFORM CREDENTIALING FORM BY ELECTRONIC MEANS.

11 ~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

12 (a) ~~There is a Task Force to Develop a Uniform Credentialing Form consisting~~  
 13 ~~of 15 members.~~

14 (b) ~~The membership of the Task Force consists of:~~

15 (1) ~~three representatives from the Medical Group Management~~  
 16 ~~Association;~~

17 (2) ~~three representatives from the Medical-Chirurgical Faculty of~~  
 18 ~~Maryland;~~

19 (3) ~~two representatives of the health maintenance organization industry;~~

20 (4) ~~two representatives of the Maryland Hospital Association;~~

21 (5) ~~one representative of a nonprofit health service plan;~~

22 (6) ~~one representative of a nonprofit community or business~~  
 23 ~~organization;~~

24 (7) ~~one representative of a dental plan organization;~~

25 (8) ~~1 representative of the Department of Health and Mental Hygiene;~~  
 26 ~~and~~

27 (9) ~~one representative of the Maryland Insurance Administration.~~

28 (c) ~~The representative of the Maryland Insurance Administration is the~~  
 29 ~~chairperson of the Task Force.~~

30 (d) ~~The Maryland Insurance Administration shall provide appropriate~~  
 31 ~~personnel to staff the Task Force.~~

32 (e) (1) ~~The Task Force shall strive to reach an agreement by October 1, 1999~~  
 33 ~~on the selection of a uniform credentialing form to be used by a carrier or its~~

1 credentialing intermediary in credentialing and recredentialing a health care  
2 provider for participation on a provider panel.

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

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

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

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

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

21       SECTION 4. 2. ~~AND BE IT FURTHER ENACTED, That, subject to the~~  
22 ~~provisions of Section 3 of this Act, this Act shall take effect January 1, 2000.~~