

SENATE BILL 819

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2002 Regular Session
(21r2304)

ENROLLED BILL
-- Finance/Environmental Matters --

Introduced by **Senators Dorman, Astle, Exum, Hafer, and Hooper**

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 _____

1 AN ACT concerning

2 **Health Care Practitioners—Credentials Hospitals - Uniform Standard**
3 **Credentialing Form**

4 FOR the purpose of requiring a hospital to use a uniform standard credentialing form
5 as a condition of licensure; ~~requiring a uniform credentialing form to provide for~~
6 ~~the collection of certain information for carriers, credentialing intermediaries~~
7 ~~and health care facilities; requiring a health care facility to accept the uniform~~
8 ~~credentialing form as the sole application for a health care provider; requiring~~
9 ~~the uniform credentialing form be made available to a health care provider that~~
10 ~~is to be credentialed by a health care facility; authorizing the Insurance~~
11 ~~Commissioner to impose a certain penalty to a health care facility for certain~~
12 ~~reasons; altering certain definitions requiring hospitals to use the uniform~~
13 ~~standard credentialing form as the initial application of a physician seeking to~~
14 ~~be credentialed; providing that the use of the uniform standard credentialing~~
15 ~~form does not preclude a hospital from requiring additional information;~~
16 ~~authorizing the Insurance Commissioner to permit a carrier to use a health care~~
17 ~~facility's credentialing form in certain circumstances; requiring the Secretary of~~

1 Health and Mental Hygiene to consult with certain organizations in the
 2 development of the uniform standard credentialing form; defining a certain
 3 term; providing for a delayed effective date for certain provisions of this Act; and
 4 generally relating to a uniform standard credentialing form for a ~~health care~~
 5 provider hospitals.

6 BY repealing and reenacting, with amendments,
 7 Article - Health - General
 8 Section 19-319(e)
 9 Annotated Code of Maryland
 10 (2000 Replacement Volume and 2001 Supplement)

11 ~~BY repealing and reenacting, with amendments,~~
 12 ~~Article - Insurance~~
 13 ~~Section 15-112.1~~
 14 ~~Annotated Code of Maryland~~
 15 ~~(1997 Volume and 2001 Supplement)~~

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

18 **Article - Health - General**

19 19-319.

20 (e) (1) IN THIS SUBSECTION, "UNIFORM STANDARD CREDENTIALING FORM"
 21 MEANS THE FORM DESIGNATED BY THE SECRETARY THROUGH REGULATION FOR
 22 CREDENTIALING PHYSICIANS WHO SEEK TO BE EMPLOYED BY OR HAVE STAFF
 23 PRIVILEGES AT A HOSPITAL.

24 (2) As a condition of licensure, each hospital shall:

25 (I) [establish] ESTABLISH a credentialing process for the
 26 physicians who are employed by or who have staff privileges at the hospital; AND

27 (II) USE THE UNIFORM STANDARD CREDENTIALING FORM
 28 PURSUANT TO § 15-112.1 OF THE INSURANCE ARTICLE AS THE INITIAL APPLICATION
 29 OF A PHYSICIAN SEEKING TO BE CREDENTIALLED.

30 (3) USE OF THE UNIFORM STANDARD CREDENTIALING FORM DOES NOT
 31 PRECLUDE A HOSPITAL FROM REQUIRING SUPPLEMENTAL OR ADDITIONAL
 32 INFORMATION AS PART OF THE HOSPITAL'S CREDENTIALING PROCESS.

33 (4) The Secretary shall, by regulation and in consultation with
 34 hospitals, physicians, interested community and advocacy groups, and
 35 representatives of the Maryland Defense Bar and Plaintiffs' Bar, establish minimum
 36 standards for a credentialing process which shall include:

1 (i) A formal written appointment process documenting the
2 physician's education, clinical expertise, licensure history, insurance history, medical
3 history, claims history, and professional experience.

4 (ii) A requirement that an initial appointment to staff not be
5 complete until the physician has successfully completed a probationary period.

6 (iii) A formal, written reappointment process to be conducted at
7 least every 2 years. The reappointment process shall document the physician's
8 pattern of performance by analyzing claims filed against the physician, data dealing
9 with utilization, quality, and risk, a review of clinical skills, adherence to hospital
10 bylaws, policies and procedures, compliance with continuing education requirements,
11 and mental and physical status.

12 ~~(3)~~ (5) If requested by the Department, a hospital shall provide
13 documentation that, prior to employing or granting privileges to a physician, the
14 hospital has complied with the requirements of this subsection and that, prior to
15 renewing employment or privileges, the hospital has complied with the requirements
16 of this subsection.

17 ~~(4)~~ (6) If a hospital fails to establish or maintain a ~~credentialing~~
18 CREDENTIALING process required under this subsection, the Secretary may impose
19 the following penalties:

20 (i) Delicensure of the hospital; or

21 (ii) \$500 per day for each day the violation continues.

22 **~~Article – Insurance~~**

23 ~~15-112.1.~~

24 ~~(a) (1) In this section the following words have the meanings indicated.~~

25 ~~(2) (i) "Carrier" means:~~

26 1. ~~an insurer;~~

27 2. ~~a nonprofit health service plan;~~

28 3. ~~a health maintenance organization;~~

29 4. ~~a dental plan organization; [or]~~

30 5. ~~A MANAGED CARE ORGANIZATION AS DEFINED IN §~~
31 ~~15-101(F) OF THE HEALTH – GENERAL ARTICLE;~~

32 6. ~~A MANAGED CARE BEHAVIORAL HEALTH CARE~~
33 ~~ORGANIZATION AS DEFINED IN § 15-127(A)(6) OF THIS TITLE; OR~~

1 ~~[(d)]~~ ~~(E)~~ (1) The Commissioner shall adopt regulations to implement the
2 ~~provisions of this section.~~

3 (2) In adopting the regulations required under paragraph (1) of this
4 subsection, the Commissioner shall consider the use of an electronic format for the
5 uniform credentialing form and the filing of the uniform credentialing form by
6 electronic means.

7 SECTION 2. AND BE IT FURTHER ENACTED, That ~~until such time as the~~
8 Insurance Commissioner, ~~in collaboration with the Secretary of Health and Mental~~
9 Hygiene, has revised the regulations to meet the new requirements of this Act, may
10 permit a carrier may use a health care facility's credentialing form to credential
11 providers at that facility instead of the uniform form, if the carrier has designated the
12 health care facility as the credentialing intermediary for the health care facility's
13 physicians.

14 SECTION 3. AND BE IT FURTHER ENACTED, That, ~~in modifying the~~
15 ~~uniform credentialing form to reflect the new requirements in this Act, the Insurance~~
16 ~~Commissioner, in collaboration with the Secretary of Health and Mental Hygiene,~~
17 shall consult with ~~carriers, managed care organizations, the Maryland Hospital~~
18 ~~Association, and the Maryland State Medical Society to ensure all necessary~~
19 ~~information is included in the uniform credentialing form the Maryland Hospital~~
20 Association, the University of Maryland Medical System, the Johns Hopkins
21 University Hospital Health System, the Medical and Chirurgical Faculty of the State
22 of Maryland, the Medical Group Management Association, the Mid-Atlantic
23 Association of Community Health Centers, and other affected parties in developing a
24 uniform standard credentialing form, for purposes of § 19-319(e) of the
25 Health - General Article as enacted by this Act, that is to be used for the uniform and
26 consistent collection of the basic information required by all hospitals as part of the
27 credentialing process.

28 ~~SECTION 4. AND BE IT FURTHER ENACTED, That in conjunction with the~~
29 ~~process of developing a uniform standard credentialing form under Section 3 of this~~
30 ~~Act, the Secretary shall examine methods to address delays in carrier processing of~~
31 ~~physicians' initial applications for credentialing.~~

32 ~~SECTION 5. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall~~
33 ~~take effect July 1, 2003.~~

34 ~~SECTION 4. 6. 5.~~ AND BE IT FURTHER ENACTED, That, except as provided
35 in Section 5 4 of this Act, this Act shall take effect July 1, 2002.

