

SENATE BILL 819

Unofficial Copy
J2

2002 Regular Session
2lr2304
CF 2lr2305

By: **Senators Dorman, Astle, Exum, Hafer, and Hooper**
Introduced and read first time: February 14, 2002
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Health Care Practitioners - Credentials - Uniform Credentialing Form**

3 FOR the purpose of requiring a hospital to use a uniform credentialing form as a
4 condition of licensure; requiring a uniform credentialing form to provide for the
5 collection of certain information for carriers, credentialing intermediaries and
6 health care facilities; requiring a health care facility to accept the uniform
7 credentialing form as the sole application for a health care provider; requiring
8 the uniform credentialing form be made available to a health care provider that
9 is to be credentialed by a health care facility; authorizing the Insurance
10 Commissioner to impose a certain penalty to a health care facility for certain
11 reasons; altering certain definitions; and generally relating to a uniform
12 credentialing form for a health care provider.

13 BY repealing and reenacting, with amendments,
14 Article - Health - General
15 Section 19-319(e)
16 Annotated Code of Maryland
17 (2000 Replacement Volume and 2001 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article - Insurance
20 Section 15-112.1
21 Annotated Code of Maryland
22 (1997 Volume and 2001 Supplement)

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

25 **Article - Health - General**

26 19-319.

27 (e) (1) As a condition of licensure, each hospital shall:

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

3 (II) USE THE UNIFORM CREDENTIALING FORM PURSUANT TO §
4 15-112.1 OF THE INSURANCE ARTICLE.

5 (2) The Secretary shall, by regulation and in consultation with hospitals,
6 physicians, interested community and advocacy groups, and representatives of the
7 Maryland Defense Bar and Plaintiffs' Bar, establish minimum standards for a
8 credentialing process which shall include:

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

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

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

20 (3) If requested by the Department, a hospital shall provide
21 documentation that, prior to employing or granting privileges to a physician, the
22 hospital has complied with the requirements of this subsection and that, prior to
23 renewing employment or privileges, the hospital has complied with the requirements
24 of this subsection.

25 (4) If a hospital fails to establish or maintain a credentialing process
26 required under this subsection, the Secretary may impose the following penalties:

27 (i) Delicensure of the hospital; or

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

29 **Article - Insurance**

30 15-112.1.

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

32 (2) (i) "Carrier" means:

33 1. an insurer;

34 2. a nonprofit health service plan;

1 3. a health maintenance organization;

2 4. a dental plan organization; [or]

3 5. A MANAGED CARE ORGANIZATION AS DEFINED IN §
4 15-101(F) OF THE HEALTH - GENERAL ARTICLE;

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

7 [5.] 7. any other person that provides health benefit plans
8 subject to regulation by the State.

9 (ii) "Carrier" includes an entity that arranges a provider panel for a
10 carrier.

11 (3) "Credentialing intermediary" means a person to whom a carrier has
12 delegated credentialing or recredentialing authority and responsibility.

13 (4) "HEALTH CARE FACILITY" HAS THE SAME MEANING AS IN § 19-114 OF
14 THE HEALTH - GENERAL ARTICLE.

15 [(4)] (5) "Health care provider" means an individual who is licensed,
16 certified, or otherwise authorized under the Health Occupations Article to provide
17 health care services OR MENTAL HEALTH SERVICES.

18 [(5)] (6) "Provider panel" means the providers that contract with a
19 carrier to provide health care services to the enrollees under a health benefit plan of
20 the carrier.

21 [(6)] (7) "Uniform credentialing form" means the form designated by the
22 Commissioner through regulation for use by a [carrier or] CARRIER, its credentialing
23 [intermediary] INTERMEDIARY, OR A HEALTH CARE FACILITY for credentialing and
24 recredentialing a health care provider for participation on a provider panel OR FOR
25 STAFF PRIVILEGES AT A HEALTH CARE FACILITY.

26 (B) THE UNIFORM CREDENTIALING FORM SHALL PROVIDE FOR THE
27 COLLECTION OF ALL INFORMATION THAT CARRIERS, CREDENTIALING
28 INTERMEDIARIES AND HEALTH CARE FACILITIES ARE REQUIRED TO COLLECT IN
29 ORDER TO MEET THEIR CREDENTIALING RESPONSIBILITIES UNDER STATE AND
30 FEDERAL LAW, AND ALL INFORMATION REQUIRED BY A HEALTH CARE FACILITY FOR
31 PURPOSES OF GRANTING STAFF PRIVILEGES.

32 [(b)] (C) (1) A carrier or its credentialing intermediary shall accept the
33 uniform credentialing form as the sole application for a health care provider to
34 become credentialed or recredentialed for a provider panel of the carrier.

35 (2) A HEALTH CARE FACILITY SHALL ACCEPT THE UNIFORM
36 CREDENTIALING FORM AS THE SOLE APPLICATION FOR A HEALTH CARE PROVIDER.

1 [(2)] (3) A carrier or its credentialing intermediary shall make the
2 uniform credentialing form available to any health care provider that is to be
3 credentialed or recredentialed by that carrier or credentialing intermediary OR BY A
4 HEALTH CARE FACILITY.

5 [(c)] (D) The Commissioner may impose a penalty not to exceed \$500 against
6 any carrier for each violation of this section by the [carrier or] CARRIER, its
7 credentialing intermediary, OR HEALTH CARE FACILITY.

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

10 (2) In adopting the regulations required under paragraph (1) of this
11 subsection, the Commissioner shall consider the use of an electronic format for the
12 uniform credentialing form and the filing of the uniform credentialing form by
13 electronic means.

14 SECTION 2. AND BE IT FURTHER ENACTED, That until such time as the
15 Insurance Commissioner, in collaboration with the Secretary of Health and Mental
16 Hygiene, has revised the regulations to meet the new requirements of this Act, a
17 carrier may use a health care facility's credentialing form to credential providers at
18 that facility instead of the uniform form, if the carrier has designated the health care
19 facility as the credentialing intermediary for the health care facility's physicians.

20 SECTION 3. AND BE IT FURTHER ENACTED, That, in modifying the
21 uniform credentialing form to reflect the new requirements in this Act, the Insurance
22 Commissioner, in collaboration with the Secretary of Health and Mental Hygiene,
23 shall consult with carriers, managed care organizations, the Maryland Hospital
24 Association, and the Maryland State Medical Society to ensure all necessary
25 information is included in the uniform credentialing form.

26 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
27 effect July 1, 2002.