

SENATE BILL 820

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2002 Regular Session  
2lr2810  
CF 2lr2809

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By: **Senator Dorman**  
Introduced and read first time: February 14, 2002  
Assigned to: Rules  
Re-referred to: Finance, February 20, 2002

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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 19, 2002

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health - Managed Care Organizations - Credentialing**

3 FOR the purpose of authorizing a managed care organization to deem a health care  
4 provider credentialed for a certain period of time under certain circumstances  
5 and upon certain verification; prohibiting a certain entity from refusing to  
6 ~~provide~~ verify certain information ~~to~~ for a managed care organization; providing  
7 that this Act does not relieve a managed care organization of certain obligations;  
8 and generally relating to the credentialing of a health care provider by a  
9 managed care organization.

10 BY adding to  
11 Article - Health - General  
12 Section 15-103.4  
13 Annotated Code of Maryland  
14 (2000 Replacement Volume and 2001 Supplement)

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

17 **Article - Health - General**

18 15-103.4.

19 (A) A MANAGED CARE ORGANIZATION MAY DEEM A HEALTH CARE PROVIDER  
20 CREDENTIALLED FOR A PERIOD OF NOT MORE THAN 6 MONTHS FROM THE DATE OF  
21 RECEIPT OF A COMPLETED APPLICATION IF:

1 (1) THE HEALTH CARE PROVIDER:

2 (I) HAS BEEN CREDENTIALLED BY ANOTHER ENTITY IN THE STATE  
3 THAT IS REQUIRED TO CREDENTIAL HEALTH CARE PROVIDERS; AND

4 (II) HAS SUBMITTED AN APPLICATION TO PARTICIPATE IN THE  
5 MANAGED CARE ORGANIZATION'S PROVIDER PANEL; AND

6 (2) THE MANAGED CARE ORGANIZATION VERIFIES THAT THE HEALTH  
7 CARE PROVIDER WAS CREDENTIALLED AND REMAINS IN GOOD STANDING WITH AT  
8 LEAST ONE ENTITY THAT CREDENTIALLED THE HEALTH CARE PROVIDER.

9 (B) AN ENTITY THAT HAS CREDENTIALLED A HEALTH CARE PROVIDER MAY  
10 NOT REFUSE ~~TO PROVIDE INFORMATION TO A REQUEST BY A MANAGED CARE~~  
11 ~~ORGANIZATION THAT SEEKS VERIFICATION OF THE CREDENTIALLED HEALTH CARE~~  
12 ~~PROVIDER TO VERIFY THAT THE HEALTH CARE PROVIDER IS CREDENTIALLED AND IN~~  
13 GOOD STANDING.

14 (C) NOTHING IN THIS SECTION MAY BE CONSTRUED TO RELIEVE THE  
15 MANAGED CARE ORGANIZATION FROM FULLY CREDENTIALING ITS HEALTH CARE  
16 PROVIDERS.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2002.