BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 636 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after "Insurance -" insert "<u>Credentialing and</u>"; in lines 2 and 3, strike "-Change in Tax Identification Number or Employer"; in line 4, after "of" insert "<u>altering the time</u> period within which a health insurance carrier must make a decision regarding the participation of a health care provider on the carrier's provider panel:"; in line 18, after "carrier;" insert "<u>requiring the</u> Maryland Insurance Administration, in consultation with certain other units of State government and the representatives of certain persons, to make certain comparisons, identify certain mechanisms, and identify ways to improve the credentialing system for health care providers used in the State; requiring the Administration to report its findings to certain legislative committees on or before a certain date;"; and after line 18, insert:

"BY repealing and reenacting, with amendments,

Article - Insurance Section 15-112(d) Annotated Code of Maryland (2002 Replacement Volume and 2005 Supplement)".

<u>AMENDMENT NO. 2</u> On page 1, after line 27, insert:

"(d) (1) A provider that seeks to participate on a provider panel of a carrier shall submit an application to the carrier.

(2) (i) Subject to paragraph (3) of this subsection, the carrier, after reviewing the application, shall accept or reject the provider for participation on the carrier's provider panel.

(ii) If the carrier rejects the provider for participation on the carrier's

(Over)

provider panel, the carrier shall send to the provider at the address listed in the application written notice of the rejection.

FIN

(3) (i) Except as provided in paragraph (4) of this subsection, within 30 days after the date a carrier receives a completed application, the carrier shall send to the provider at the address listed in the application written notice of:

<u>1.</u> <u>the carrier's intent to continue to process the provider's</u> application to obtain necessary credentialing information; or

2. <u>the carrier's rejection of the provider for participation on the</u> carrier's provider panel.

(ii) The failure of a carrier to provide the notice required under subparagraph (i) of this paragraph is a violation of this article and the carrier is subject to the penalties provided by § 4-113(d) of this article.

(iii) If, under subparagraph (i)1 of this paragraph, a carrier provides notice to the provider of its intent to continue to process the provider's application to obtain necessary credentialing information, the carrier, within [150] 120 days after the date the notice is provided, shall:

<u>1.</u> <u>accept or reject the provider for participation on the carrier's</u> provider panel; and

2. <u>send written notice of the acceptance or rejection to the</u> provider at the address listed in the application.

(iv) The failure of a carrier to provide the notice required under subparagraph (iii)2 of this paragraph is a violation of this article and the carrier is subject to the provisions of and penalties provided by §§ 4-113 and 4-114 of this article.

(4) (i) <u>A carrier that receives an incomplete application shall return the</u> application to the provider at the address listed in the application within 10 days after the date the application is received.

FIN

(ii) The carrier shall indicate to the provider what information is needed to make the application complete.

(iii) The provider may return the completed application to the carrier.

(iv) After the carrier receives the completed application, the carrier is subject to the time periods established in paragraph (3) of this subsection.

(5) <u>A carrier may charge a reasonable fee for an application submitted to the</u> carrier under this section.".

AMENDMENT NO. 3

On page 3, after line 17, insert:

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

(a) The Maryland Insurance Administration, in consultation with the Department of Health and Mental Hygiene, the Maryland Board of Physicians, and representatives of nonprofit health service plans, health insurers, health maintenance organizations, physicians, practice managers, hospitals, and other health care providers, shall:

(1) compare the credentialing system for health providers used in the State to the systems used in other states;

(2) compare the uniform credentialing form used in the State to the format used by the Council for Affordable Quality Healthcare;

(3) identify the mechanisms used by physicians and other health care providers to complete credentialing; and

(4) identify ways to improve the credentialing system used in the State.

(Over)

SB0636/507476/1 FIN Amendments to SB 636 Fin Page 4 of 4 Fin

(b) On or before January 1, 2007, the Administration shall report its findings, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Health and Government Operations Committee.";

and in line 18, strike "2." and substitute "<u>3.</u>".