

HOUSE BILL 444

C3

(11r1258)

ENROLLED BILL

— Health and Government Operations/Finance —

Introduced by **Delegate Nathan–Pulliam**

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.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Provider Panels – Notice of Receipt of Application**

3 FOR the purpose of requiring certain health insurance carriers that receive a complete
4 application from a health care provider that seeks to participate on a provider
5 panel of a carrier to notify the health care provider that the application is
6 complete; requiring, under certain circumstances, notice to be given to a health
7 care provider at a certain address and within a certain period of time; requiring,
8 under certain circumstances, that the notice from a certain credentialing system
9 be considered notice that an application is complete; providing that certain
10 provisions of this Act do not apply to a certain carrier until the Maryland
11 Insurance Commissioner makes a certain certification; defining a certain term;
12 clarifying certain language; and generally relating to participation of health
13 care providers on provider panels of health insurance carriers.

14 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Article – Insurance
 2 Section ~~15–112(a)(1), (4), (9), and (10)~~ and (4)
 3 Annotated Code of Maryland
 4 (2006 Replacement Volume and 2010 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Article – Insurance
 7 Section ~~15–112(d)~~ 15–112(a)(9) and (10) and (d)
 8 Annotated Code of Maryland
 9 (2006 Replacement Volume and 2010 Supplement)

10 BY adding to
 11 Article – Insurance
 12 Section 15–112(a)(9)
 13 Annotated Code of Maryland
 14 (2006 Replacement Volume and 2010 Supplement)

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

17 **Article – Insurance**

18 15–112.

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

20 (4) (i) “Carrier” means:

- 21 1. an insurer;
- 22 2. a nonprofit health service plan;
- 23 3. a health maintenance organization;
- 24 4. a dental plan organization; or
- 25 5. any other person that provides health benefit plans
 26 subject to regulation by the State.

27 (ii) “Carrier” includes an entity that arranges a provider panel
 28 for a carrier.

29 **(9) “ONLINE CREDENTIALING SYSTEM” MEANS THE SYSTEM**
 30 **THROUGH WHICH A PROVIDER MAY ACCESS AN ONLINE PROVIDER**
 31 **CREDENTIALING APPLICATION THAT THE COMMISSIONER HAS DESIGNATED AS**
 32 **THE UNIFORM CREDENTIALING FORM UNDER § 15–112.1(E) OF THIS SUBTITLE.**

1 ~~(9)~~ **(10)** “Provider” means a health care practitioner or group of
2 health care practitioners licensed, certified, or otherwise authorized by law to provide
3 health care services.

4 ~~(10)~~ **(11)** (i) “Provider panel” means the providers that contract
5 either directly or through a subcontracting entity with a carrier to provide health care
6 services to the carrier’s enrollees under the carrier’s health benefit plan.

7 (ii) “Provider panel” does not include an arrangement in which
8 any provider may participate solely by contracting with the carrier to provide health
9 care services at a discounted fee-for-service rate.

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

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

15 (ii) If the carrier rejects the provider for participation on the
16 carrier’s provider panel, the carrier shall send to the provider at the address listed in
17 the application written notice of the rejection.

18 (3) (i) [Except as provided in] **SUBJECT TO** paragraph (4) of this
19 subsection, within 30 days after the date a carrier receives a completed application,
20 the carrier shall send to the provider at the address listed in the application written
21 notice of:

22 1. the carrier’s intent to continue to process the
23 provider’s application to obtain necessary credentialing information; or

24 2. the carrier’s rejection of the provider for participation
25 on the carrier’s provider panel.

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

29 (iii) Except as provided in subsection (o) of this section, if, under
30 subparagraph (i)1 of this paragraph, a carrier provides notice to the provider of its
31 intent to continue to process the provider’s application to obtain necessary
32 credentialing information, the carrier, within 120 days after the date the notice is
33 provided, shall:

1 1. accept or reject the provider for participation on the
2 carrier's provider panel; and

3 2. send written notice of the acceptance or rejection to
4 the provider at the address listed in the application.

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

9 (4) (I) 1. ~~A~~ EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 4
10 OF THIS SUBPARAGRAPH, A CARRIER THAT RECEIVES A COMPLETE
11 APPLICATION SHALL NOTIFY THE PROVIDER THAT THE APPLICATION IS
12 COMPLETE.

13 2. ~~NOTICE~~ IF A CARRIER DOES NOT ACCEPT
14 APPLICATIONS THROUGH THE ONLINE CREDENTIALING SYSTEM, NOTICE SHALL
15 BE GIVEN TO THE PROVIDER AT THE ADDRESS LISTED IN THE APPLICATION
16 WITHIN 10 DAYS AFTER THE DATE THE APPLICATION IS RECEIVED.

17 3. IF A CARRIER ACCEPTS APPLICATIONS THROUGH
18 THE ONLINE CREDENTIALING SYSTEM, THE NOTICE FROM THE ONLINE
19 CREDENTIALING SYSTEM TO THE PROVIDER THAT THE CARRIER HAS RECEIVED
20 THE PROVIDER'S APPLICATION SHALL BE CONSIDERED NOTICE THAT THE
21 APPLICATION IS COMPLETE.

22 4. THIS SUBPARAGRAPH DOES NOT APPLY TO A
23 CARRIER THAT ARRANGES A DENTAL PROVIDER PANEL UNTIL THE
24 COMMISSIONER CERTIFIES THAT THE ONLINE CREDENTIALING SYSTEM IS
25 CAPABLE OF ACCEPTING THE UNIFORM CREDENTIALING FORM DESIGNATED BY
26 THE COMMISSIONER FOR DENTAL PROVIDER PANELS.

27 [(i)] (II) 1. A carrier that receives an incomplete
28 application shall return the application to the provider at the address listed in the
29 application within 10 days after the date the application is received.

30 [(ii)] 2. The carrier shall indicate to the provider what
31 information is needed to make the application complete.

32 [(iii)] 3. The provider may return the completed application to
33 the carrier.

1 [(iv)] 4. After the carrier receives the completed application,
2 the carrier is subject to the time periods established in paragraph (3) of this
3 subsection.

4 (5) A carrier may charge a reasonable fee for an application submitted
5 to the carrier under this section.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.