

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 258

(Senator Lam)

Finance

Health and Government Operations

**Hospital Credentialing - Reappointment Process for Physician Staff -
Modification**

This bill alters the minimum standards for a physician credentialing process that a hospital must have in place as a condition of licensure. The formal written reappointment process for physicians must be conducted in accordance with standards of the accreditation body that accredits a hospital rather than at least every two years.

Fiscal Summary

State Effect: The bill's requirements can be handled using existing budgeted resources.

Local Effect: The bill does not affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Under current law, as a condition of licensure, each hospital must establish a credentialing process for the physicians who are employed by or who have staff privileges at the hospital and use the uniform credentialing form as the initial application of a physician seeking to be credentialed.

The Secretary of Health must, by regulation and in consultation with hospitals, physicians, interested community and advocacy groups, and representatives of the Maryland Defense Bar and Plaintiffs' Bar, establish minimum standards for a credentialing process, which must include:

- a formal written appointment process documenting the physician's education, clinical expertise, licensure history, insurance history, medical history, claims history, and professional experience;
- a requirement that an initial appointment to staff not be complete until the physician has successfully completed a probationary period; and
- a formal written reappointment process to be conducted at least every two years that documents the physician's pattern of performance by analyzing specified factors such as clinical skills and claims filed against the physician.

Under the bill, the formal written reappointment process must be conducted in accordance with standards of the accreditation body that accredits a hospital rather than at least every two years.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 633 (Delegate Bhandari) - Health and Government Operations.

Information Source(s): Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2023
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