



## Maryland Community Health System

<b>Committee:</b>	<b>Senate Finance Committee</b>
<b>Bill:</b>	<b>Senate Bill 808 – Health Insurance - Provider Panels - Requirements</b>
<b>Hearing Date:</b>	<b>March 4, 2026</b>
<b>Position:</b>	<b>Support</b>

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The Maryland Community Health System strongly supports *Senate Bill 808 – Health Insurance - Provider Panels - Requirements*. The bill modernizes and streamlines Maryland’s credentialing law, including updating the timeframe by which carriers must processing credentialing applications.

The Maryland Community Health System is a network of federally qualified health centers (FQHCs) providing primary, behavioral, and dental services to underserved communities across Maryland. FQHCs’ ability to recruit and deploy new providers has been severely impacted by Maryland’s outdated credentialing law. In addition, carriers have made the credentialing process unnecessarily complex with extraneous steps asking for duplicative information. The result is that FQHCs have shifted resources away from patient care to navigating the credentialing process.

In the fall of 2025, the Maryland Community Health System convened a workgroup of credentialing and billing managers to assess the current credentialing system and make recommendations for change. We have documented our findings and how Senate Bill addresses the issues for state-regulated commercial plans, managed care organizations, and dental plans:

<b>MCHS Findings</b>	<b>How SB 808 Addresses Credential Issues</b>
<b>Credentialing Law is Outdated:</b> MCHS found that the credentialing law dates back to the 1990’s. While several updates have been made since then, the basic framework is still based on credentialing being a paper-based process.	<b>Updates Notice and Timeframe Requirements:</b> The bill updates notice requirements to recognize that most communication is electronic, rather than by mail. The bill also recognizes that the timeframe and process for submitting applications should be based on an electronic process (see below).
<b>Timeframe is Too Long:</b> Maryland’s credentialing law allows for carriers to take up to 120 days to process a completed application. This timeframe was based on carriers having to obtain primary source verification by mail.	<b>Updates Timeframes to a Maximum of 30 Days:</b> The bill recognizes that carriers can obtain primary source verification online and should be able to process an application quickly. The bill provides for a 30-day processing time for a completed application.

MCHS Findings	How SB 808 Addresses Credential Issues
<p><b>Inconsistent Use of Online Credentialing Platform:</b> MCHS found that all health insurers use the CAQH online platform. However, dental insurers sometimes do not use CAQH’s platform and may require providers to submit applications by email or fax. With CAQH, providers can upload applications just once. Then carriers can access the application through CAQH.</p>	<p><b>Requires Carriers to Use State-Designated Online Credentialing Platform:</b> The bill requires all carriers to accept provider applications through the state-designated online credentialing platform. The Maryland Insurance Commissioner already has the authority to designate an online credentialing platform, but current law does not require carriers to use the platform.</p>
<p><b>Fixable Operational Issues with CAQH:</b> MCHS found that there were fixable operational issues with CAQH, the state’s designated online credentialing platform. Collaborative efforts with CAQH, providers, and carriers could improve the efficiency of the online credentialing process.</p>	<p><b>Provides for an Ongoing Workgroup to Address Operational Issues/Provides Additional Authority to the MIA:</b> The bill requires state-designated uniform credentialing platform (CAQH) to convene a ongoing workgroup of providers and carriers to address operational issues. The bill also provides the MIA with the authority to put additional operational requirements for the online credentialing platform in regulations.</p>
<p><b>Consistent and Severe Compliance Issues with Uniform Credentialing Application Law:</b> MCHS found that nearly all carriers require providers to fill out additional forms that request information already provided through the uniform credentialing application. Maryland’s law requires that the uniform credentialing form be the only form needed for the application process.</p>	<p><b>Increase in Penalties:</b> The bill increases the penalties to each violation of the credentialing statute. The bill also provides for penalty to be collected by the Maryland Insurance Administration and remitted to the provider.</p>
<p><b>Confusion Over Malpractice Insurance Status for FQHCs:</b> MCHS found that carriers often do not understand that the Federal Tort Claims Act provides malpractice coverage for FQHCs. As a result, there are sometimes delays in process credentialing applications for FQHC providers.</p>	<p><b>Clarifies that Malpractice Coverage Includes Federal and State Tort Claims Acts:</b> The bill clarifies that malpractice coverage includes the Federal and State Tort Claims Acts. This clarification will help FQHCs as well as local health departments.</p>
<p><b>Multiple, Duplicative Requests for Provider Directory Updates:</b> MCHS found that carriers, often through third party vendors, make multiple, duplicative requires for updated provider directory information. Carriers should instead utilize CAQH to update provider directors, as providers must update their information every 120 days.</p>	<p><b>Provides Clearer Connection between Provider Directories and CAQH Data:</b> The bill provides a clearer connection that CAQH may be used to keep provider directories updated (this part of the bill does not impact MCOs which are under MDH regulations).</p>

Credentialing challenges are not unique to federally qualified health centers (FQHC). However, these issues disproportionately impact FQHCs for two reasons: 1) FQHCs have the widest range of types of healthcare practitioners as any other community-based provider. This means that FQHCs must navigate the web of credentialing somatic care, behavioral health, and dental providers. With each individual health occupation type, there can be unique nuances in the credentialing process requirements; and 2) FQHCs rely heavily on recent graduates and J1 Visa providers. This means that new hires are less likely to have already been credentialed through a prior employer.

We ask for a favorable report. If we can provide any additional information, please contact Robyn Elliott at [relliott@policypartners.net](mailto:relliott@policypartners.net) or (443) 926-3443.