



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 533

PRINTERS NO. 2936

PRIME SPONSOR: Owlett

### COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Insurance Regulation & Oversight Fund	\$0	See Fiscal Impact

**SUMMARY:** House Bill 533 establishes the Health Care Practitioner Credentialing Act. It would take effect in 180 days.

**ANALYSIS:** This legislation requires that all health insurers in the Commonwealth accept the Council for Affordable Quality Healthcare's (CAQH) credentialing application or another nationally recognized form designated by the Insurance Department when submitted by a health care practitioner for participation in the health insurer's provider panel. A health care practitioner's application is deemed 'complete' if the application was submitted through the CAQH electronic process, or other process as designated by the Insurance Department and all required information is provided to the health insurer by the health care practitioner. The health insurer must issue a credentialing determination within 60 days after receiving a complete credentialing application. When a health care practitioner is not credentialed by a health insurer, the health insurer must notify the health care practitioner in writing of the reasons for the decision within the same time frame.

The Insurance Department must assess an administrative penalty on a health insurer for failure to use the CAQH or other designated application, or for intentionally and routinely failing to complete the credentialing process within 60 days. No health insurer is subject to the administrative penalty based on a health care practitioner's failure to use or complete a CAQH or other designated credentialing application. The Insurance Department must promulgate rules and regulations to administer and enforce the provisions of this legislation.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds. The Insurance Department indicates it may place additional duties and responsibilities on the Department in areas for which the Department does not currently have expertise. The Department may need additional resources as a result, which can be covered with available funds if necessary.

**PREPARED BY:** Jeff Miller  
House Appropriations Committee (R)

**DATE:** November 21, 2019

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*