

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1663 Session of
2015

INTRODUCED BY BAKER, JAMES, BARRAR, MILLARD, O'BRIEN, McNEILL,
LONGIETTI, ZIMMERMAN, MURT, SNYDER, TOOIL, SAYLOR, COHEN,
WARD AND WHITE, NOVEMBER 16, 2015

REFERRED TO COMMITTEE ON HEALTH, NOVEMBER 16, 2015

AN ACT

1 Providing for the use of certain credentialing applications, for
2 credentialing requirements for health insurers and for
3 protections for enrollees of health insurers; imposing
4 penalties; and conferring powers and imposing duties on the
5 Insurance Department and Department of Health.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Health Care
10 Practitioner Credentialing Act.

11 Section 2. Definitions.

12 The following words and phrases when used in this act shall
13 have the meanings given to them in this section unless the
14 context clearly indicates otherwise:

15 "CAQH." The Council for Affordable Quality Healthcare.

16 "CAQH credentialing application." The application used to
17 collect the credentials data commonly requested by health
18 insurers for purposes of credentialing.

19 "Credentialing." The process of assessing and validating the

1 qualifications of a health care practitioner, including, but not
2 limited to, an evaluation of licensure status, education,
3 training, experience, competence and professional judgment.

4 "Enrollee." Any policyholder, subscriber, covered person,
5 covered dependent, spouse or other person who is entitled to
6 receive health care benefits from a health insurer.

7 "Health care practitioner." As defined under section 103 of
8 the act of July 19, 1979 (P.L.130, No.48), known as the Health
9 Care Facilities Act.

10 "Health insurer." An entity that contracts or offers to
11 contract to provide, deliver, arrange for, pay for or reimburse
12 any of the costs of health care services in exchange for a
13 premium, including, but not limited to, a Medicaid managed care
14 organization as defined under the act of June 13, 1967 (P.L.31,
15 No.21), known as the Public Welfare Code, and an entity licensed
16 under any of the following:

17 (1) The act of May 17, 1921 (P.L.682, No.284), known as
18 The Insurance Company Law of 1921.

19 (2) The act of December 29, 1972 (P.L.1701, No.364),
20 known as the Health Maintenance Organization Act.

21 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
22 corporations).

23 (4) 40 Pa.C.S. Ch. 63 (relating to professional health
24 services plan corporations).

25 Section 3. Utilization of CAQH.

26 All health insurers licensed to do business in this
27 Commonwealth shall be required to accept the CAQH credentialing
28 application when submitted by a health care practitioner for
29 participation in the health insurer's provider panel. An
30 application shall be considered complete if the application is

1 submitted through the CAQH electronic process and all required
2 information is provided.

3 Section 4. Credentialing.

4 (a) Provisional credentialing.--If a health insurer fails to
5 issue a credentialing determination within 30 days after
6 receiving a complete CAQH credentialing application, the health
7 care practitioner shall be deemed provisionally credentialed. A
8 health care practitioner shall be eligible for provisional
9 credentialing if:

10 (1) the health care practitioner has applied to
11 participate in the health insurer's provider panel for the
12 first time; or

13 (2) the health care practitioner is a member of a
14 provider group that is a participating provider.

15 (b) Adverse credentialing decision.--If a health insurer
16 makes an adverse credentialing determination or otherwise
17 rejects an applicant's application, the applicant shall no
18 longer be eligible for provisional status and any provisional
19 status previously granted shall be terminated effective as of
20 the date the applicant is provided notice of adverse
21 determination or rejection.

22 (c) Services rendered under provisional credentialing.--A
23 health insurer shall provide coverage and reimbursement for
24 services rendered by an applicant granted provisional status
25 under the same terms as are applicable to participating health
26 care practitioners in the applicant's provider group.
27 Practitioners granted provisional status and not practicing
28 within a group shall be reimbursed according to the health
29 insurer's standard fee schedule. Upon an affirmative
30 credentialing decision, payments pursuant to the contract shall

1 be retroactive to the date of the provisional credentialing.
2 Only a negative credentialing decision due to submission of
3 fraudulent information from the applicant shall relieve a health
4 plan from retroactive payment for services provided during a
5 provisional credentialing period.

6 Section 5. Enrollee protections.

7 A health care practitioner with provisional status may not
8 hold an enrollee of the health insurer liable for the cost of
9 any covered services provided to the enrollee during the time
10 period that the applicant has provisional status, except for any
11 deductible, copayment or coinsurance amount owed by the
12 enrollee. A health care practitioner with provisional status
13 shall notify an enrollee of the health insurer at the time
14 services are provided that:

15 (1) the health care practitioner is not a participating
16 provider;

17 (2) the health care practitioner has applied to become a
18 participating provider;

19 (3) the health insurer has not completed its assessment
20 of the qualifications of the health care practitioner to
21 provide services as a participating provider; and

22 (4) any covered services rendered by the health care
23 practitioner must be reimbursed by the health insurer at the
24 participating provider rate.

25 Section 6. Penalty.

26 The Insurance Department shall assess an administrative
27 penalty on a health insurer for a failure to utilize CAQH or for
28 intentionally and routinely failing to complete the
29 credentialing process according to section 4(a) or for failing
30 to reimburse applicants granted provisional status in accordance

1 with this act. No health insurer shall be subject to
2 administrative penalty based on a health care practitioner's
3 failure to use or complete a CAQH credentialing application.

4 Section 7. Rights.

5 Nothing in this act shall be construed to guarantee the
6 rights of a health care practitioner to participate in any
7 health insurer network in this Commonwealth nor require a health
8 insurer to accept any willing health care provider to an
9 insurance network.

10 Section 8. Rules and regulations.

11 The Department of Health and the Insurance Department shall
12 promulgate rules and regulations to administer and enforce this
13 act.

14 Section 9. Repeals.

15 All acts and parts of acts are repealed insofar as they are
16 inconsistent with this act.

17 Section 10. Effective date.

18 This act shall take effect in 180 days.