

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, TOOHIL, SAYLOR, COHEN,
WARD, WHITE, FARRY, MENTZER AND CUTLER, NOVEMBER 16, 2015

AS REPORTED FROM COMMITTEE ON HEALTH, HOUSE OF REPRESENTATIVES,
AS AMENDED, SEPTEMBER 21, 2016

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.

1 "Credentialing." The process of assessing and validating the
2 qualifications of a health care practitioner, including, but not
3 limited to, an evaluation of licensure status, education,
4 training, experience, competence and professional judgment.

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

8 "Health care practitioner." As defined under section 103 of
9 the act of July 19, 1979 (P.L.130, No.48), known as the Health
10 Care Facilities Act. THE TERM SHALL INCLUDE A HEALTH CARE <--
11 PRACTITIONER AT A FEDERALLY QUALIFIED HEALTH CENTER.

12 "FEDERALLY QUALIFIED HEALTH CENTER." A FEDERALLY QUALIFIED
13 HEALTH CENTER AS DEFINED IN SECTION 1905(L)(2)(B) OF THE SOCIAL
14 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396D(L)(2)(B)), OR A
15 FEDERALLY QUALIFIED HEALTH CENTER LOOK-ALIKE, THAT IS A
16 PARTICIPATING PROVIDER WITH THE DEPARTMENT OF HUMAN SERVICES
17 UNDER THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN AS THE
18 HUMAN SERVICES CODE.

19 ~~"Health insurer." An entity that contracts or offers to~~ <--

20 "HEALTH INSURER." AS FOLLOWS: <--

21 (1) AN ENTITY THAT CONTRACTS OR OFFERS TO contract to
22 provide, deliver, arrange for, pay for or reimburse any of
23 the costs of health care services in exchange for a premium,
24 including, but not limited to, a Medicaid managed care
25 organization as defined under the act of June 13, 1967
26 (P.L.31, No.21), known as the ~~Public Welfare~~ HUMAN SERVICES <--
27 Code, and an entity licensed under any of the following:

28 ~~(1) The act of May 17, 1921 (P.L.682, No.284), known as~~ <--
29 ~~The Insurance Company Law of 1921.~~

30 ~~(2) The act of December 29, 1972 (P.L.1701, No.364),~~

1 ~~known as the Health Maintenance Organization Act.~~

2 ~~(3) 40 Pa.C.S. Ch. 61 (relating to hospital plan~~
3 ~~corporations).~~

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

6 (I) THE ACT OF MAY 17, 1921 (P.L.682, NO.284), KNOWN <--
7 AS THE INSURANCE COMPANY LAW OF 1921.

8 (II) THE ACT OF DECEMBER 29, 1972 (P.L.1701,
9 NO.364), KNOWN AS THE HEALTH MAINTENANCE ORGANIZATION
10 ACT.

11 (III) 40 PA.C.S. CH. 61 (RELATING TO HOSPITAL PLAN
12 CORPORATIONS).

13 (IV) 40 PA.C.S. CH. 63 (RELATING TO PROFESSIONAL
14 HEALTH SERVICES PLAN CORPORATIONS).

15 (2) THE TERM SHALL NOT INCLUDE THE FOLLOWING TYPES OF
16 INSURANCE, OR ANY COMBINATION THEREOF:

17 (I) ACCIDENT ONLY.

18 (II) FIXED INDEMNITY.

19 (III) LIMITED BENEFIT.

20 (IV) CREDIT.

21 (V) DENTAL.

22 (VI) VISION.

23 (VII) SPECIFIED DISEASE.

24 (VIII) MEDICARE SUPPLEMENT.

25 (IX) CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE
26 UNIFORMED SERVICES (CHAMPUS) SUPPLEMENT.

27 (X) LONG-TERM CARE OR DISABILITY INCOME.

28 (XI) WORKERS' COMPENSATION.

29 (XII) AUTOMOBILE MEDICAL PAYMENT INSURANCE.

30 Section 3. Utilization of CAQH.

1 All health insurers licensed to do business in this
2 Commonwealth shall be required to accept the CAQH credentialing
3 application when submitted by a health care practitioner for
4 participation in the health insurer's provider panel. An
5 application shall be considered complete if the application is
6 submitted through the CAQH electronic process and all required
7 information is provided.

8 Section 4. Credentialing.

9 (a) Provisional credentialing.--If a health insurer fails to
10 issue a credentialing determination within 30 days after
11 receiving a complete CAQH credentialing application, the health
12 care practitioner shall be deemed provisionally credentialed. A
13 health care practitioner shall be eligible for provisional
14 credentialing if:

15 (1) the health care practitioner has applied to
16 participate in the health insurer's provider panel for the
17 first time; or

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

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

27 (c) Services rendered under provisional credentialing.--A
28 health insurer shall provide coverage and reimbursement for
29 services rendered by an applicant granted provisional status
30 under the same terms as are applicable to participating health

care practitioners in the applicant's provider group. Practitioners granted provisional status and not practicing within a group shall be reimbursed according to the health insurer's standard fee schedule. Upon an affirmative credentialing decision, payments pursuant to the contract shall be retroactive to the date of the provisional credentialing. Only a negative credentialing decision due to submission of fraudulent information from the applicant shall relieve a health plan from retroactive payment for services provided during a provisional credentialing period.

Section 5. Enrollee protections.

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

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

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

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

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

Section 6. Penalty.

1 The Insurance Department shall assess an administrative
2 penalty on a health insurer for a failure to utilize CAQH or for
3 intentionally and routinely failing to complete the
4 credentialing process according to section 4(a) or for failing
5 to reimburse applicants granted provisional status in accordance
6 with this act. No health insurer shall be subject to
7 administrative penalty based on a health care practitioner's
8 failure to use or complete a CAQH credentialing application.

9 Section 7. Rights.

10 Nothing in this act shall be construed to guarantee the
11 rights of a health care practitioner to participate in any
12 health insurer network in this Commonwealth nor require a health
13 insurer to accept any willing health care provider to an
14 insurance network.

15 Section 8. Rules and regulations.

16 The Department of Health and the Insurance Department shall
17 promulgate rules and regulations to administer and enforce this
18 act.

19 Section 9. Repeals.

20 All acts and parts of acts are repealed insofar as they are
21 inconsistent with this act.

22 Section 10. Effective date.

23 This act shall take effect in 180 days.