
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 125 Session of
2017

INTRODUCED BY BAKER, BARRAR, CUTLER, D. COSTA, A. HARRIS,
CALTAGIRONE, MENTZER, JAMES, MILLARD, PHILLIPS-HILL,
ZIMMERMAN, WARD, LAWRENCE, PICKETT AND GABLER,
JANUARY 23, 2017

REFERRED TO COMMITTEE ON HEALTH, JANUARY 23, 2017

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 "Federally qualified health center." A federally qualified
9 health center as defined in section 1905(l)(2)(B) of the Social
10 Security Act (49 Stat. 620, 42 U.S.C. § 1396d(l)(2)(B)), or a
11 federally qualified health center look-alike, that is a
12 participating provider with the Department of Human Services
13 under the act of June 13, 1967 (P.L.31, No.21), known as the
14 Human Services Code.

15 "Health care practitioner." As defined under section 103 of
16 the act of July 19, 1979 (P.L.130, No.48), known as the Health
17 Care Facilities Act. The term shall include a health care
18 practitioner at a federally qualified health center.

19 "Health insurer." As follows:

20 (1) An entity that contracts or offers to contract to
21 provide, deliver, arrange for, pay for or reimburse any of
22 the costs of health care services in exchange for a premium,
23 including, but not limited to, a Medicaid managed care
24 organization as defined under the act of June 13, 1967
25 (P.L.31, No.21), known as the Human Services Code, and an
26 entity licensed under any of the following:

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

29 (ii) The act of December 29, 1972 (P.L.1701,
30 No.364), known as the Health Maintenance Organization

1 Act.

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

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

6 (2) The term shall not include the following types of
7 insurance, or any combination thereof:

8 (i) Accident only.

9 (ii) Fixed indemnity.

10 (iii) Limited benefit.

11 (iv) Credit.

12 (v) Dental.

13 (vi) Vision.

14 (vii) Specified disease.

15 (viii) Medicare supplement.

16 (ix) Civilian Health and Medical Program of the
17 Uniformed Services (CHAMPUS) supplement.

18 (x) Long-term care or disability income.

19 (xi) Workers' compensation.

20 (xii) Automobile medical payment insurance.

21 Section 3. Utilization of CAQH.

22 All health insurers licensed to do business in this
23 Commonwealth shall be required to accept the CAQH credentialing
24 application when submitted by a health care practitioner for
25 participation in the health insurer's provider panel. An
26 application shall be considered complete if the application is
27 submitted through the CAQH electronic process and all required
28 information is provided.

29 Section 4. Credentialing.

30 (a) Provisional credentialing.--If a health insurer fails to

1 issue a credentialing determination within 30 days after
2 receiving a complete CAQH credentialing application, the health
3 care practitioner shall be deemed provisionally credentialed. A
4 health care practitioner shall be eligible for provisional
5 credentialing if:

6 (1) the health care practitioner has applied to
7 participate in the health insurer's provider panel for the
8 first time; or

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

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

18 (c) Services rendered under provisional credentialing.--A
19 health insurer shall provide coverage and reimbursement for
20 services rendered by an applicant granted provisional status
21 under the same terms as are applicable to participating health
22 care practitioners in the applicant's provider group.
23 Practitioners granted provisional status and not practicing
24 within a group shall be reimbursed according to the health
25 insurer's standard fee schedule. Upon an affirmative
26 credentialing decision, payments pursuant to the contract shall
27 be retroactive to the date of the provisional credentialing.
28 Only a negative credentialing decision due to submission of
29 fraudulent information from the applicant shall relieve a health
30 plan from retroactive payment for services provided during a

1 provisional credentialing period.

2 Section 5. Enrollee protections.

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

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

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

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

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

21 Section 6. Penalty.

22 The Insurance Department shall assess an administrative
23 penalty on a health insurer for a failure to utilize CAQH or for
24 intentionally and routinely failing to complete the
25 credentialing process according to section 4(a) or for failing
26 to reimburse applicants granted provisional status in accordance
27 with this act. No health insurer shall be subject to
28 administrative penalty based on a health care practitioner's
29 failure to use or complete a CAQH credentialing application.

30 Section 7. Rights.

1 Nothing in this act shall be construed to guarantee the
2 rights of a health care practitioner to participate in any
3 health insurer network in this Commonwealth nor require a health
4 insurer to accept any willing health care provider to an
5 insurance network.

6 Section 8. Rules and regulations.

7 The Department of Health and the Insurance Department shall
8 promulgate rules and regulations to administer and enforce this
9 act.

10 Section 9. Repeals.

11 All acts and parts of acts are repealed insofar as they are
12 inconsistent with this act.

13 Section 10. Effective date.

14 This act shall take effect in 180 days.