

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, GABLER, STURLA, ROAE AND NELSON, JANUARY 23, 2017

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, MAY 23, 2017

AN ACT

1 Providing for the use of certain credentialing applications, AND <--
2 for 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 OR OTHER FORM DESIGNATED BY THE INSURANCE DEPARTMENT <--  
25 SO LONG AS THE FORM IS NATIONALLY RECOGNIZED AS AN APPROPRIATE  
26 CREDENTIALING APPLICATION when submitted by a health care  
27 practitioner for participation in the health insurer's provider  
28 panel. ALL HEALTH CARE PRACTITIONERS SHALL USE THE CAQH OR OTHER <--  
29 DESIGNATED FORM. An application shall be considered complete if  
30 the application is submitted through the CAQH electronic process

1 OR OTHER PROCESS AS DESIGNATED BY THE INSURANCE DEPARTMENT and <--  
2 all required information is provided.

3 Section 4. Credentialing.

4 ~~(a) Provisional credentialing. If a THE health insurer <--  
5 fails to SHALL issue a credentialing determination within 30 45 <--  
6 days after receiving a complete CAQH credentialing application, <--  
7 the health care practitioner shall be deemed provisionally  
8 credentialed. A health care practitioner shall be eligible for  
9 provisional 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 the 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 5. Penalty.~~

~~26 The Insurance Department shall assess an administrative  
27 penalty on a health insurer for a failure to utilize CAQH, OR  
28 OTHER DESIGNATED APPLICATION, or for intentionally and routinely  
29 failing to complete the credentialing process according to  
30 section 4(a) or for failing to reimburse applicants granted~~

~~<--  
<--  
<--~~

1 ~~provisional status in accordance with this act~~ 4. No health <--  
2 insurer shall be subject to administrative penalty based on a  
3 health care practitioner's failure to use or complete a CAQH  
4 credentialing application.

5 Section ~~7~~ 6. Rights. <--

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

11 Section ~~8~~ 7. Rules and regulations. <--

12 The ~~Department of Health and the~~ Insurance Department shall <--  
13 promulgate rules and regulations to administer and enforce this  
14 act.

15 Section ~~9~~ 8. Repeals. <--

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

18 Section ~~10~~ 9. Effective date. <--

19 This act shall take effect in 180 days.