

HB 1490 -- Credentialing and Payment of Health Care Practitioners

Sponsor: Frederick

This bill establishes a process for a health insurance carrier to credential a health practitioner within 60 days of receiving a completed application from the practitioner. A health insurance carrier must:

- (1) Send an electronic notice to a health practitioner of receipt of an electronically filed credentialing application within 48 hours of receipt and send a notice of receipt of a paper application within five days of receipt;
- (2) Assess a health practitioner's credentialing information and make a decision to approve or deny his or her application within 60 days unless the verifying application information indicates that the practitioner has a history of behavioral disorders or impairments; had licensure disciplinary actions imposed; had hospital admitting or surgical privileges revoked, restricted, or suspended based on clinical performance; or has incurred a medical malpractice judgement; and
- (3) Permit, within 10 business days of receiving a completed application, a health practitioner to bill and be paid directly for treatment services provided to the carrier's health plan enrollees while the application is under review unless the health practitioner is not affiliated with an entity that has a current contractual relationship with the health insurance carrier. Reimbursement rates for the health practitioner can be limited to the same fee schedule paid to out-of-network providers. The health insurance carrier may refuse to list the health practitioner in its provider directory or to allow the practitioner to be designated as a primary care provider for its enrollees while the application is pending. If a practitioner's credentialing application is denied, the carrier's obligation to be billed by and reimburse the health practitioner ceases upon the carrier's notice to the practitioner of the denied application.

The Department of Insurance, Financial Institutions and Professional Registration must establish a mechanism for reporting a health insurance carrier's violation of untimely credentialing of a health practitioner. Repeated violations will constitute an unfair trade practice by limiting an insured's full freedom of choice to choose a health care provider.