

HOUSE No. 3928

By Ms. Khan of Newton, petition of Kay Khan and Timothy J. Toomey, Jr., relative to the protection of consumers in the purchasing and administration of health care insurance. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO HEALTH CARE CONSUMER PROTECTION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of Chapter 176O of the General Laws is
2 hereby amended by inserting after the definition of “Covered bene-
3 fits” the following new definition:—
4 “Credentialing” means the process of assessing and validating the
5 qualifications of health care providers applying to be approved or
6 reappraised by a health insurance carrier to provide health care serv-
7 ices to the health insurance carrier’s insureds. The process shall not
8 allow any economic criteria to be used in determining an individu-
9 al’s qualifications.

1 SECTION 2. Said section 1 of Chapter 176O is hereby further
2 amended by inserting after the definition of “health care services”
3 the following new definition:—
4 “Hospital-based physician”, a pathologist, anesthesiologist, radi-
5 ologist or emergency room physician who practices exclusively
6 within the inpatient or outpatient hospital setting and who provides
7 health care services to a carrier’s insureds only as a result of
8 insureds being directed to the hospital inpatient or outpatient setting.
9 This definition may be expanded, by the division of insurance upon
10 consultation with the Massachusetts Hospital Association, Massa-
11 chusetts Medical Society, Massachusetts Association of Health Plans
12 and Blue Cross and Blue Shield of Massachusetts, by regulation to
13 include additional categories of physicians who practice exclusively
14 within the inpatient or outpatient hospital setting and who provide

15 health care services to a carrier's insureds only as a result of insureds
16 being directed to the hospital inpatient or outpatient setting.

1 SECTION 3. Chapter 176O of the General Laws as appearing in
2 the 2004 Official Edition is hereby amended by inserting after
3 Section 2 the following new sections:—

4 Section 2A. (a) The bureau shall adopt the “Integrated Massachu-
5 setts Application for Initial Credentialing/Appointment” and the
6 “Integrated Massachusetts Application for Re-Credentialing/Re-
7 Appointment,” so called, and any revisions thereto, as developed and
8 updated from time to time by the Massachusetts Medical Society, the
9 Massachusetts Hospital Association, the Massachusetts Association
10 of Health Plans and Blue Cross Blue Shield of Massachusetts as the
11 statewide uniform physician credentialing application forms. Such
12 forms shall not be applicable in those instances where the carrier has
13 both delegated credentialing to a provider organization and does not
14 require submission of a credentialing application.

15 (b) A carrier shall not use any initial physician credentialing
16 application form other than the uniform initial physician application
17 form or a uniform electronic version of said form. A carrier shall not
18 use any physician recredentialing application form other than the
19 uniform physician recredentialing application form or a uniform
20 electronic version of said form.

21 A carrier may require that the appropriate physician profile be
22 submitted in addition to the uniform physician recredentialing appli-
23 cation form.

24 (c) A carrier shall act upon and complete the credentialing process
25 for 95% of complete initial physician credentialing applications sub-
26 mitted by or on behalf of a physician applicant within 30 calendar
27 days of receipt of a complete application. An application shall be
28 considered complete if it contains all of the following elements:—

29 1.) the application form is signed and appropriately dated by the
30 physician applicant;

31 2.) all information on the application is submitted in a legible and
32 complete manner and any affirmative answers are accompanied by
33 explanations satisfactory to the carrier;

34 3.) a current curriculum vitae with appropriate required dates;

35 4.) a signed, currently dated Applicant's Authorization to Release
36 Information form;

37 5.) copies of the applicant's current licenses in all states in which
38 the physician practices;

39 6.) a copy of the applicant's current Massachusetts controlled sub-
40 stances registration and a copy of the applicant's current federal
41 DEA controlled substance certificate or, if not available, a letter
42 describing prescribing arrangements;

43 7.) a copy of the applicant's current malpractice face sheet cov-
44 erage statement including amounts and dates of coverage;

45 8.) hospital letter or verification of hospital privileges or alternate
46 pathways;

47 9.) documentation of board certification or alternate pathways;

48 10.) documentation of training, if not board certified;

49 11.) there are no affirmative responses on questions related to
50 quality or clinical competence;

51 12.) there are no modifications to the Applicant's Authorization to
52 Release Information Form;

53 13.) there are no discrepancies between the information submitted
54 by or on behalf of the physician and information received from other
55 sources; and

56 14.) the appropriate health plan participation agreement, if applic-
57 able.

58 (d) A carrier shall report to a physician applicant or designee the
59 status of a submitted initial credentialing application within a rea-
60 sonable timeframe. Said report shall include, but not be limited to,
61 the application receipt date and, if incomplete, an itemization of all
62 missing or incomplete items. A carrier may return an incomplete
63 application to the submitter. A physician applicant or designee shall
64 be responsible for any and all missing or incomplete items.

65 (e) A carrier shall notify a physician applicant of the carrier's cre-
66 dentialing committee's decision on an initial credentialing applica-
67 tion within four business days of the decision. Said notice shall
68 include the committee's decision and the decision date.

69 (f) A physician, other than a primary care provider compensated
70 on a capitated basis, who has been credentialed pursuant to the terms
71 of this section shall be allowed to treat a carrier's insureds and shall
72 be reimbursed by the carrier for covered services provided to a carri-
73 er's insureds effective as of the carrier's credentialing committee's
74 decision date. A primary care physician compensated on a capitated
75 basis who has been credentialed pursuant to the terms established in

76 this section shall be allowed to treat a carrier's insureds and shall be
77 reimbursed by the carrier for covered services provided to the carri-
78 er's insured effective no later than the first day of the month
79 following the carrier's credentialing committee's decision date.

80 (g) The provisions of this section shall not apply to the creden-
81 tialing and recredentialing by carriers of psychiatrists or hospital-
82 based physicians by carriers.

83 Section 2B. (a) The bureau's accreditation requirements related to
84 credentialing and recredentialing shall not require a carrier to com-
85 plete the credentialing or recredentialing process for hospital-based
86 physicians.

87 (b) Except as provided in paragraph (d), a carrier shall not require
88 a hospital-based physician to complete the credentialing and recre-
89 dentialing process established pursuant to the bureau's accreditation
90 requirements.

91 (c) A carrier may establish an abbreviated data submission
92 process for hospital-based physicians. Except as provided in para-
93 graph (d) of this section, said process shall be limited to a review of
94 the data elements required to be collected and reviewed pursuant to
95 applicable regulations of the board of registration in medicine and
96 shall not include primary source verification or a carrier's creden-
97 tialing committee review.

98 (d) In the event that the carrier determines that there is a need to
99 further review a hospital-based physicians credentials due to quality
100 of care concerns, complaints from insureds, applicable law or other
101 good faith concerns, the carrier may conduct such review as is nec-
102 essary to make a credentialing or recredentialing decision.

103 (e) Nothing in this section shall be construed to prohibit a carrier
104 from requiring a physician to submit information or taking other
105 actions necessary for the carrier to comply with the applicable regu-
106 lations of the board of registration in medicine.

107 (f) The Massachusetts Hospital Association, the Massachusetts
108 Medical Society, the Massachusetts Association of Health Plans and
109 Blue Cross and Blue Shield of Massachusetts shall work to develop
110 standard criteria and oversight guidelines that may be used by car-
111 riers to delegate the credentialing function to providers. Such criteria
112 and oversight guidelines shall meet applicable accreditation stan-
113 dards.

114 (g) Notwithstanding any special or general law to the contrary,
115 nothing in section 2A or 2B shall be construed as an exemption to
116 federal or state antitrust laws, or as authorizing carriers, physicians
117 or hospitals to engage in discrimination of health care providers; in
118 relation to completing credentialing or recredentialing application
119 forms or satisfying credentialing requirements of carriers, or of those
120 providers the bureau has delegated credentialing functions to.

1 SECTION 4. Sections 2A (a) and 2A (b) in Section 2 shall take
2 effect January 1, 2009.