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COMMISSIONER OF INSURANCE

BULLETIN 2005-06

TO: **Commercial Health Insurers, Blue Cross and Blue Shield of Massachusetts, Inc. and Health Maintenance Organizations**

FROM: **Julianne M. Bowler, Commissioner of Insurance**

DATE: **April 13, 2005**

RE: **Changes in the Accreditation of Managed Care Health Plans**

This bulletin informs carriers of certain changes to Chapter 176O of the General Laws, effective April 13, 2005, regarding health plans' accreditation renewals.

Chapter 506 of the Acts of 2004 amended Section 2 of Chapter 176O of the General Laws to permit health plans to be accredited for a 24-month period. Previously, accreditation was only for a 12-month period. In addition, the recent legislation amended M.G.L. c. 176O, §3(f) to permit health plans to renew accreditation every two years. Previously, accreditation was renewed every year. Further, the minimum accreditation renewal fee has increased from $500 to $1,000. In accordance with the amended statute, the Division of Insurance advises health plans that applications for the next accreditation renewal will be due on July 1, 2006, and every other year thereafter on July 1. (For example: July 1, 2008; July 1, 2010.)

The Bureau of Managed Care will process an application for initial accreditation, along with the $1,000 fee, at any time during the year. A carrier seeking initial accreditation must submit the application at least 90 days prior to the date on which it intends to offer health benefit plans. An accredited health plan will be responsible for submitting an application for renewal accreditation, along with the $1,000 fee, by July 1 of the first even year following the initial accreditation.

In addition to the new reaccreditation schedule and fee increase, 211 CMR 52.100 through 211 CMR 52.112 have been amended to reflect updated NCQA standards for Quality Management and Improvement, standards for Utilization Management, and standards for Credentialing and Recredentialing, contained in the NCQA's *Standards and Guidelines for the Accreditation of PPO Plans*, and the comparable standards for MCOs contained in the NCQA's *Standards and Guidelines for the Accreditation of MCOs*. Questions about this Bulletin should be directed to the Bureau of Managed Care at the Division of Insurance, (617) 521-7347, or faxed to (617) 521-7773.