

HOUSE BILL REPORT

HB 1552

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to health care provider credentialing by health carriers.

Brief Description: Concerning health care provider credentialing by health carriers.

Sponsors: Representatives Dolan, Doglio, Fey, Senn, Appleton, Robinson, Ryu, Jinkins, Macri and Leavitt.

Brief History:

Committee Activity:

Health Care & Wellness: 1/15/20, 1/28/20 [DP].

Brief Summary of Bill

- Requires a health carrier to approve or deny a credentialing application submitted to the carrier no later than 45 days after receiving a complete application.
- Requires health carriers to reimburse a health care provider for covered health care services provided to the carrier's enrollees during the credentialing process if the provider's application is approved and a contractual relationship existed.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 15 members: Representatives Cody, Chair; Macri, Vice Chair; Schmick, Ranking Minority Member; Caldier, Assistant Ranking Minority Member; Chambers, Chopp, Davis, DeBolt, Harris, Maycumber, Riccelli, Robinson, Stonier, Thai and Tharinger.

Staff: Kim Weidenaar (786-7120).

Background:

Provider credentialing is the process that insurance carriers use to ensure that a health care provider is qualified to provide care and treatment to their members.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Office of the Insurance Commissioner (OIC) is required to designate a lead organization to develop a uniform electronic process for collecting and transmitting the necessary provider-supplied data to support credentialing, admitting privileges, and other related processes. The OIC selected OneHealthPort as the lead organization, which developed the credentialing database, ProviderSource.

Health care providers are required to submit credentialing applications to ProviderSource and health carriers are required to accept and manage credentialing applications from the database. A health carrier must approve or deny a credentialing application submitted to the carrier no later than 90 days after receiving a complete application from a health care provider.

Beginning June 1, 2020, the average response time for the health carrier to make a determination regarding the approval or denial of a provider's credentialing application may not exceed 60 days. If there is a credentialing delegation arrangement between a facility that employs health care providers and a health carrier, then the single credentialing database is not required to be used and the timelines do not apply.

Summary of Bill:

A health carrier may not require a health care provider to submit credentialing information in any format other than the database selected by the Office of the Insurance Commissioner for purposes of collecting and transmitting credentialing information.

Beginning January 1, 2020, a health carrier must approve or deny a credentialing application submitted to the carrier no later than 45 days after receiving a complete application from a health care provider. An application is complete once it has been attested by the applicant and submitted. Health carriers may not extend the 45-day timeline based upon requests for supplemental information.

The provisions requiring the use of the credentialing database and the approval and denial timelines do not apply to health care entities that utilize credentialing delegation arrangements with carriers.

A health carrier must reimburse a health care provider for covered health care services provided to the carrier's enrollees during the credentialing process beginning when the health care provider submitted a completed application to the carrier if:

- the provider's application is approved; and
- a contractual relationship existed between the carrier and the health care provider or the entity for whom the health care provider is employed or engaged at the time the health care provider submitted the credentialing application.

The health carrier must reimburse the health care provider at the in-network rate for the applicable health benefit plan that the health care provider would have been paid at the time the services were provided if the health care provider were fully credentialed by the carrier.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This simple bill will have a huge impact. Many health care providers' offices run on a shoestring budget and when a new physician is hired, the practice must pay that person's salary. However, the office cannot get reimbursed for care the physician is providing until they are fully credentialed, which puts the practice in a financial bind. All of the financial risk is borne by the providers who are hiring.

Credentialing is a very important process to ensure that providers are fully qualified. However, the process takes a very long time and is administratively burdensome. The process becomes even more time consuming and complicated where carriers require the use of systems outside of ProviderSource. This slow process sidelines providers that could otherwise be taking care of patients. This bill would improve this by requiring reimbursement during the credentialing process and shortening the credentialing timeline. Medicare currently retroactively pays providers; if Medicare can do it, so can all of the other insurance companies. This practical bill will help ensure the viability of small practices.

(Opposed) Credentialing is an important process to ensure that Washingtonians receive quality care. During the process, carriers must check that the providers have the necessary credentials, check disciplinary actions, and check for past crimes. This all takes time. In 2016 the Legislature agreed to pass a bill with reasonable credentialing timelines that were agreed to through a carefully negotiated process. These timelines have only been in place for a year and previously there was no timeline. These should be allowed to stand.

Persons Testifying: (In support) Representative Dolan, prime sponsor; Jeb Shepard, Washington State Medical Association; Patty Seib, Washington Academy of Family Physicians; Lisa Thatcher, Washington State Hospital Association; Eddy Cates; Christie Mcannally, Pioneer Family Practice; and Ken Lee.

(Opposed) Christine Brewer, Association of Washington Healthcare Plans; and Mel Sorenson, America's Health Insurance Plans.

Persons Signed In To Testify But Not Testifying: None.