

CERTIFICATION OF ENROLLMENT

**ENGROSSED HOUSE BILL 1552**

Chapter 4, Laws of 2020

66th Legislature  
2020 Regular Session

HEALTH CARRIER PROVIDER CREDENTIALING

EFFECTIVE DATE: June 11, 2020—Except for section 3, which becomes effective March 17, 2020.

Passed by the House March 9, 2020  
Yeas 96 Nays 0

LAURIE JINKINS

**Speaker of the House of Representatives**

Passed by the Senate March 6, 2020  
Yeas 48 Nays 0

CYRUS HABIB

**President of the Senate**

Approved March 17, 2020 2:21 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1552** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

March 17, 2020

**Secretary of State  
State of Washington**

---

**ENGROSSED HOUSE BILL 1552**

---

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

**State of Washington                      66th Legislature                      2019 Regular Session**

**By** Representatives Dolan, Doglio, Fey, Senn, Appleton, Robinson, Ryu, Jinkins, Macri, and Leavitt

Read first time 01/24/19. Referred to Committee on Health Care & Wellness.

1            AN ACT Relating to health care provider credentialing by health  
2 carriers; amending RCW 48.43.750; adding a new section to chapter  
3 48.43 RCW; adding a new section to chapter 74.09 RCW; and declaring  
4 an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 48.43.750 and 2016 c 123 s 1 are each amended to  
7 read as follows:

8            (1)(a) A health carrier (~~shall~~) must use the database selected  
9 pursuant to RCW 48.165.035 to accept and manage credentialing  
10 applications from health care providers. A health carrier may not  
11 require a health care provider to submit credentialing information in  
12 any format other than through the database selected pursuant to RCW  
13 48.165.035.

14            (b) Effective June 1, 2018, a health carrier shall make a  
15 determination approving or denying a credentialing application  
16 submitted to the carrier no later than ninety days after receiving a  
17 complete application from a health care provider.

18            (c) Effective June 1, 2020, a health carrier shall make a  
19 determination approving or denying a credentialing application  
20 submitted to the carrier no later than ninety days after receiving a  
21 complete application from a health care provider. All determinations

1 made by a health carrier in approving or denying credentialing  
2 applications must average no more than sixty days.

3 (d) This section does not require health carriers to approve a  
4 credentialing application or to place providers into a network.

5 (2) This section does not apply to health care entities that  
6 utilize credentialing delegation arrangements in the credentialing of  
7 their health care providers with health carriers.

8 (3) For purposes of this section, "credentialing" means the  
9 collection, verification, and assessment of whether a health care  
10 provider meets relevant licensing, education, and training  
11 requirements.

12 (4) Nothing in this section creates an oversight or enforcement  
13 duty on behalf of the office of the insurance commissioner against a  
14 health carrier for failure to comply with the terms of this section.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.43  
16 RCW to read as follows:

17 (1) If a carrier approves a health care provider's credentialing  
18 application, upon completion of the credentialing process, the  
19 carrier must reimburse a health care provider under the following  
20 circumstances:

21 (a) When credentialing a new health care provider through a new  
22 provider contract, the carrier must reimburse the health care  
23 provider for covered services provided to the carrier's enrollee  
24 retroactively to the date of contract effectiveness if the  
25 credentialing process extends beyond the effective date of the new  
26 contract.

27 (b) When credentialing a provider to be added to an approved and  
28 in-use provider contract where a relationship existed between the  
29 carrier and the health care provider or the entity for whom the  
30 health care provider is employed or engaged at the time the health  
31 care provider submitted the completed credentialing application, the  
32 carrier must reimburse the health care provider for covered health  
33 care services provided to the carrier's enrollees during the  
34 credentialing process beginning when the health care provider  
35 submitted a completed credentialing application to the carrier.

36 (2) The health carrier must reimburse the health care provider at  
37 the contracted rate for the applicable health benefit plan that the  
38 health care provider would have been paid at the time the services

1 were provided if the health care provider were fully credentialed by  
2 the carrier.

3 (3) Nothing in this section requires reimbursement of health care  
4 provider-rendered services that are not benefits or services covered  
5 by the health carrier's health benefit plan.

6 (4) Nothing in this section requires a health carrier to pay  
7 reimbursement for any covered medical services provided by a health  
8 care provider applicant if the health care provider's credentialing  
9 application is not approved or if the carrier and health care  
10 provider do not enter into a contractual relationship.

11 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.09  
12 RCW to read as follows:

13 (1) In order to protect patients and ensure that they benefit  
14 from seamless quality care when contracted providers are absent from  
15 their practices or when there is a temporary vacancy in a position  
16 while a hospital, rural health clinic, or rural provider is  
17 recruiting to meet patient demand, hospitals, rural health clinics,  
18 and rural providers may use substitute providers to provide services.  
19 Medicaid managed care organizations must allow for the use of  
20 substitute providers and provide payment consistent with the  
21 provisions in this section.

22 (2) Hospitals, rural health clinics, and rural providers that are  
23 contracted with a medicaid managed care organization may use  
24 substitute providers that are not contracted with a managed care  
25 organization when:

26 (a) A contracted provider is absent for a limited period of time  
27 due to vacation, illness, disability, continuing medical education,  
28 or other short-term absence; or

29 (b) A contracted hospital, rural health clinic, or rural provider  
30 is recruiting to fill an open position.

31 (3) For a substitute provider providing services under subsection  
32 (2)(a) of this section, a contracted hospital, rural health clinic,  
33 or rural provider may bill and receive payment for services at the  
34 contracted rate under its contract with the managed care organization  
35 for up to sixty days.

36 (4) To be eligible for reimbursement under this section for  
37 services provided on behalf of a contracted provider for greater than  
38 sixty days, a substitute provider must enroll in a medicaid managed

1 care organization. Enrollment of a substitute provider in a medicaid  
2 managed care organization is effective on the later of:

3 (a) The date the substitute provider filed an enrollment  
4 application that was subsequently approved; or

5 (b) The date the substitute provider first began providing  
6 services at the hospital, rural health clinic, or rural provider.

7 (5) A substitute provider who enrolls with a medicaid managed  
8 care organization may not bill under subsection (4) of this section  
9 for any services billed to the medicaid managed care organization  
10 pursuant to subsection (3) of this section.

11 (6) Nothing in this section obligates a managed care organization  
12 to enroll any substitute provider who requests enrollment if they do  
13 not meet the organizations enrollment criteria.

14 (7) For purposes of this section:

15 (a) "Circumstances precluded enrollment" means that the provider  
16 has met all program requirements including state licensure during the  
17 thirty-day period before an application was submitted and no final  
18 adverse determination precluded enrollment. If a final adverse  
19 determination precluded enrollment during this thirty-day period, the  
20 contractor shall only establish an effective billing date the day  
21 after the date that the final adverse action was resolved, as long as  
22 it is not more than thirty days prior to the date on which the  
23 application was submitted.

24 (b) "Contracted provider" means a provider who is contracted with  
25 a medicaid managed care organization.

26 (c) "Hospital" means a facility licensed under chapter 70.41 or  
27 71.12 RCW.

28 (d) "Rural health clinic" means a federally designated rural  
29 health clinic.

30 (e) "Rural provider" means physicians licensed under chapter  
31 18.71 RCW, osteopathic physicians and surgeons licensed under chapter  
32 18.57 RCW, podiatric physicians and surgeons licensed under chapter  
33 18.22 RCW, physician assistants licensed under chapter 18.71A RCW,  
34 osteopathic physician assistants licensed under chapter 18.57A RCW,  
35 and advanced registered nurse practitioners licensed under chapter  
36 18.79 RCW, who are located in a rural county as defined in RCW  
37 82.14.370.

38 (f) "Substitute provider" includes physicians licensed under  
39 chapter 18.71 RCW, osteopathic physicians and surgeons licensed under  
40 chapter 18.57 RCW, podiatric physicians and surgeons licensed under

1 chapter 18.22 RCW, physician assistants licensed under chapter 18.71A  
2 RCW, osteopathic physician assistants licensed under chapter 18.57A  
3 RCW, and advanced registered nurse practitioners licensed under  
4 chapter 18.79 RCW.

5 NEW SECTION. **Sec. 4.** Section 3 of this act is necessary for the  
6 immediate preservation of the public peace, health, or safety, or  
7 support of the state government and its existing public institutions,  
8 and takes effect immediately.

Passed by the House March 9, 2020.

Passed by the Senate March 6, 2020.

Approved by the Governor March 17, 2020.

Filed in Office of Secretary of State March 17, 2020.

--- **END** ---