

PROPOSED AMENDMENT

HB 1332 # 2

DIGEST

Credentialing. Specifies that if an insurer or a health maintenance organization fails to issue a credentialing determination within 15 business days after receiving a completed clean credentialing application form from a provider, the insurer or health maintenance organization shall provisionally credential the provider in accordance with the standards and guidelines governing provisional credentialing from the National Committee for Quality Assurance or its successor organization.

- 1 Page 34, after line 6, begin a new paragraph and insert:
2 "SECTION 16. IC 27-8-11-7, AS AMENDED BY P.L.190-2023,
3 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2024]: Sec. 7. (a) This section applies to an insurer that issues
5 or administers a policy that provides coverage for basic health care
6 services (as defined in IC 27-13-1-4).
7 (b) As used in this section, "clean credentialing application" means
8 an application for network participation that:
9 (1) is submitted by a provider under this section;
10 (2) does not contain an error; and
11 (3) may be processed by the insurer without returning the
12 application to the provider for a revision or clarification.
13 (c) As used in this section, "credentialing" means a process by
14 which an insurer makes a determination that:
15 (1) is based on criteria established by the insurer; and
16 (2) concerns whether a provider is eligible to:
17 (A) provide health services to an individual eligible for
18 coverage; and
19 (B) receive reimbursement for the health services;
20 under an agreement that is entered into between the provider and
21 the insurer.
22 (d) As used in this section, "unclean credentialing application"
23 means an application for network participation that:
24 (1) is submitted by a provider under this section;
25 (2) contains at least one (1) error; and

- 1 (3) must be returned to the provider to correct the error.
- 2 (e) The department of insurance shall prescribe the credentialing
3 application form used by the Council for Affordable Quality Healthcare
4 (CAQH) in electronic or paper format, which must be used by:
- 5 (1) a provider who applies for credentialing by an insurer; and
6 (2) an insurer that performs credentialing activities.
- 7 (f) An insurer shall notify a provider concerning a deficiency on a
8 completed unclean credentialing application form submitted by the
9 provider not later than five (5) business days after the entity receives
10 the completed unclean credentialing application form. A notice
11 described in this subsection must:
- 12 (1) provide a description of the deficiency; and
13 (2) state the reason why the application was determined to be an
14 unclean credentialing application.
- 15 (g) A provider shall respond to the notification required under
16 subsection (f) not later than five (5) business days after receipt of the
17 notice.
- 18 (h) An insurer shall notify a provider concerning the status of the
19 provider's completed clean credentialing application when:
- 20 (1) the provider is provisionally credentialed; and
21 (2) the insurer makes a final credentialing determination
22 concerning the provider.
- 23 (i) If the insurer fails to issue a credentialing determination within
24 fifteen (15) **business** days after receiving a completed clean
25 credentialing application form from a provider, the insurer shall
26 provisionally credential the provider in accordance with the standards
27 and guidelines governing provisional credentialing from the National
28 Committee for Quality Assurance or its successor organization. The
29 provisional credentialing license is valid until a determination is made
30 on the credentialing application of the provider.
- 31 (j) Once an insurer fully credentials a provider that holds
32 provisional credentialing and a network provider agreement has been
33 executed, then reimbursement payments under the contract shall be
34 paid retroactive to the date the provider was provisionally credentialed.
35 The insurer shall reimburse the provider at the rates determined by the
36 contract between the provider and the insurer.
- 37 (k) If an insurer does not fully credential a provider that is
38 provisionally credentialed under subsection (i), the provisional
39 credentialing is terminated on the date the insurer notifies the provider
40 of the adverse credentialing determination. The insurer is not required

1 to reimburse for services rendered while the provider was provisionally
2 credentialed.

3 SECTION 17. IC 27-13-43-2, AS AMENDED BY P.L.190-2023,
4 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2024]: Sec. 2. (a) As used in this section, "clean credentialing
6 application" means an application for network participation that:

- 7 (1) is submitted by a provider under this section;
8 (2) does not contain an error; and
9 (3) may be processed by the health maintenance organization
10 without returning the application to the provider for a revision or
11 clarification.

12 (b) As used in this section, "credentialing" means a process by
13 which a health maintenance organization makes a determination that:

- 14 (1) is based on criteria established by the health maintenance
15 organization; and
16 (2) concerns whether a provider is eligible to:
17 (A) provide health services to an individual eligible for
18 coverage; and
19 (B) receive reimbursement for the health services;
20 under an agreement that is entered into between the provider and
21 the health maintenance organization.

22 (c) As used in this section, "unclean credentialing application"
23 means an application for network participation that:

- 24 (1) is submitted by a provider under this section;
25 (2) contains at least one (1) error; and
26 (3) must be returned to the provider to correct the error.

27 (d) The department shall prescribe the credentialing application
28 form used by the Council for Affordable Quality Healthcare (CAQH)
29 in electronic or paper format. The form must be used by:

- 30 (1) a provider who applies for credentialing by a health
31 maintenance organization; and
32 (2) a health maintenance organization that performs credentialing
33 activities.

34 (e) A health maintenance organization shall notify a provider
35 concerning a deficiency on a completed unclean credentialing
36 application form submitted by the provider not later than five (5)
37 business days after the entity receives the completed unclean
38 credentialing application form. A notice described in this subsection
39 must:

- 40 (1) provide a description of the deficiency; and

1 (2) state the reason why the application was determined to be an
2 unclean credentialing application.

3 (f) A provider shall respond to the notification required under
4 subsection (e) not later than five (5) business days after receipt of the
5 notice.

6 (g) A health maintenance organization shall notify a provider
7 concerning the status of the provider's completed clean credentialing
8 application when:

9 (1) the provider is provisionally credentialed; and

10 (2) the health maintenance organization makes a final
11 credentialing determination concerning the provider.

12 (h) If the health maintenance organization fails to issue a
13 credentialing determination within fifteen (15) **business** days after
14 receiving a completed clean credentialing application form from a
15 provider, the health maintenance organization shall provisionally
16 credential the provider in accordance with the standards and guidelines
17 governing provisional credentialing from the National Committee for
18 Quality Assurance or its successor organization. The provisional
19 credentialing license is valid until a determination is made on the
20 credentialing application of the provider.

21 (i) Once a health maintenance organization fully credentials a
22 provider that holds provisional credentialing and a network provider
23 agreement has been executed, then reimbursement payments under the
24 contract shall be paid retroactive to the date the provider was
25 provisionally credentialed. The health maintenance organization shall
26 reimburse the provider at the rates determined by the contract between
27 the provider and the health maintenance organization.

28 (j) If a health maintenance organization does not fully credential a
29 provider that is provisionally credentialed under subsection (h), the
30 provisional credentialing is terminated on the date the health
31 maintenance organization notifies the provider of the adverse
32 credentialing determination. The health maintenance organization is
33 not required to reimburse for services rendered while the provider was
34 provisionally credentialed."

35 Renumber all SECTIONS consecutively.

(Reference is to HB 1332 as introduced.)