

2016 -- S 2576 SUBSTITUTE A

LC004841/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

A N A C T

RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senators Goldin, and Miller

Date Introduced: February 25, 2016

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness  
2 Insurance Policies" is hereby amended by adding thereto the following section:

3 **27-18-82. Health care provider credentialing.** – (a) For applications received on or  
4 after July 1, 2017, a health care entity or health plan operating in the state shall be required to  
5 issue a decision regarding the credentialing of a health care provider as soon as practicable, but  
6 no later than forty-five (45) calendar days after the date of receipt of a complete credentialing  
7 application.

8 (b) Each health care entity or health plan shall establish a written standard defining what  
9 elements constitute a complete credentialing application and shall distribute this standard with the  
10 written version of the credentialing application and make such standard available on the health  
11 care entity's or health plan's website.

12 (c) Each health care entity or health plan shall respond to inquiries by the applicant  
13 regarding the status of an application;

14 (1) Each health care entity or health plan shall provide the applicant with automated  
15 application status updates, at least once every fifteen (15) calendar days, informing the applicant  
16 of any missing application materials until the application is deemed complete; and

17 (2) Each health care entity or health plan shall inform the applicant within one business  
18 day that the credentialing application is complete.

19 (3) If the health care entity or health plan denies a credentialing application, the health

1 care entity or health plan shall notify the health care provider in writing and shall provide the  
2 health care provider with any and all reasons for denying the credentialing application.

3 (4) If the denial is based on the health care entity or health plan having received an  
4 incomplete application the health care entity or health plan shall specify what additional  
5 information is required to complete the credentialing application.

6 (5) If the health care entity or health plan does not receive verification from external  
7 sources within the forty-five (45) calendar day period it may deny the application.

8 (d) The effective date for billing privileges for health care providers under a particular  
9 health care entity or health plan shall be the later of the date of the receipt by the health care  
10 entity or health plan of a complete credentialing application that was subsequently approved by  
11 the health care entity or health plan, or the date the health care provider is licensed by the Rhode  
12 Island department of health.

13 (e) For the purposes of this section, the following definitions apply:

14 (1) "Complete credentialing application" means all the requested material has been  
15 submitted.

16 (2) "Date of receipt" means the date the health care entity or health plan receives the  
17 completed credentialing application whether via electronic submission or as a paper application.

18 (3) "Health care entity" means a licensed insurance company or nonprofit hospital or  
19 medical or dental service corporation or plan or health maintenance organization, or a contractor  
20 as defined in §23-17.13-2 which operates a health plan.

21 (4) "Health care provider" means a health care professional or a health care facility.

22 (5) "Health plan" means a plan operated by a health care entity that provides for the  
23 delivery of health care services to persons enrolled in those plans through:

24 (i) Arrangements with selected providers to furnish health care services; and

25 (ii) Financial incentives for persons enrolled in the plan to use the participating providers  
26 and procedures provided for by the health plan.

27 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service  
28 Corporations" is hereby amended by adding thereto the following section:

29 **27-19-73. Health care provider credentialing.** – (a) For applications received on or  
30 after July 1, 2017, a health care entity or health plan operating in the state shall be required to  
31 issue a decision regarding the credentialing of a health care provider as soon as practicable, but  
32 no later than forty-five (45) calendar days after the date of receipt of a complete credentialing  
33 application.

34 (b) Each health care entity or health plan shall establish a written standard defining what

1 elements constitute a complete credentialing application and shall distribute this standard with the  
2 written version of the credentialing application and make such standard available on the health  
3 care entity's or health plan's website.

4 (c) Each health care entity or health plan shall respond to inquiries by the applicant  
5 regarding the status of an application;

6 (1) Each health care entity or health plan shall provide the applicant with automated  
7 application status updates, at least once every fifteen (15) calendar days, informing the applicant  
8 of any missing application materials until the application is deemed complete; and

9 (2) Each health care entity or health plan shall inform the applicant within one business  
10 day that the credentialing application is complete.

11 (3) If the health care entity or health plan denies a credentialing application, the health  
12 care entity or health plan shall notify the health care provider in writing and shall provide the  
13 health care provider with any and all reasons for denying the credentialing application.

14 (4) If the denial is based on the health care entity or health plan having received an  
15 incomplete application the health care entity or health plan shall specify what additional  
16 information is required to complete the credentialing application.

17 (5) If the health care entity or health plan does not receive verification from external  
18 sources within the forty-five (45) calendar day period it may deny the application.

19 (d) The effective date for billing privileges for health care providers under a particular  
20 health care entity or health plan shall be the later of the date of the receipt by the health care  
21 entity or health plan of a complete credentialing application that was subsequently approved by  
22 the health care entity or health plan, or the date the health care provider is licensed by the Rhode  
23 Island department of health.

24 (e) For the purposes of this section, the following definitions apply:

25 (1) "Complete credentialing application" means all the requested material has been  
26 submitted.

27 (2) "Date of receipt" means the date the health care entity or health plan receives the  
28 completed credentialing application whether via electronic submission or as a paper application.

29 (3) "Health care entity" means a licensed insurance company or nonprofit hospital or  
30 medical or dental service corporation or plan or health maintenance organization, or a contractor  
31 as defined in §23-17.13-2 which operates a health plan.

32 (4) "Health care provider" means a health care professional or a health care facility.

33 (5) "Health plan" means a plan operated by a health care entity that provides for the  
34 delivery of health care services to persons enrolled in those plans through:

- 1           (i) Arrangements with selected providers to furnish health care services; and  
2           (ii) Financial incentives for persons enrolled in the plan to use the participating providers  
3           and procedures provided for by the health plan.

4           SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service  
5           Corporations" is hereby amended by adding thereto the following section:

6           **27-20-69. Health care provider credentialing.** – (a) For applications received on or  
7           after July 1, 2017, a health care entity or health plan operating in the state shall be required to  
8           issue a decision regarding the credentialing of a health care provider as soon as practicable, but  
9           no later than forty-five (45) calendar days after the date of receipt of a complete credentialing  
10           application.

11           (b) Each health care entity or health plan shall establish a written standard defining what  
12           elements constitute a complete credentialing application and shall distribute this standard with the  
13           written version of the credentialing application and make such standard available on the health  
14           care entity's or health plan's website.

15           (c) Each health care entity or health plan shall respond to inquiries by the applicant  
16           regarding the status of an application;

17           (1) Each health care entity or health plan shall provide the applicant with automated  
18           application status updates, at least once every fifteen (15) calendar days, informing the applicant  
19           of any missing application materials until the application is deemed complete; and

20           (2) Each health care entity or health plan shall inform the applicant within one business  
21           day that the credentialing application is complete.

22           (3) If the health care entity or health plan denies a credentialing application, the health  
23           care entity or health plan shall notify the health care provider in writing and shall provide the  
24           health care provider with any and all reasons for denying the credentialing application.

25           (4) If the denial is based on the health care entity or health plan having received an  
26           incomplete application the health care entity or health plan shall specify what additional  
27           information is required to complete the credentialing application.

28           (5) If the health care entity or health plan does not receive verification from external  
29           sources within the forty-five (45) calendar day period it may deny the application.

30           (d) The effective date for billing privileges for health care providers under a particular  
31           health care entity or health plan shall be the later of the date of the receipt by the health care  
32           entity or health plan of a complete credentialing application that was subsequently approved by  
33           the health care entity or health plan, or the date the health care provider is licensed by the Rhode  
34           Island department of health.

1 (e) For the purposes of this section, the following definitions apply:

2 (1) "Complete credentialing application" means all the requested material has been  
3 submitted.

4 (2) "Date of receipt" means the date the health care entity or health plan receives the  
5 completed credentialing application whether via electronic submission or as a paper application.

6 (3) "Health care entity" means a licensed insurance company or nonprofit hospital or  
7 medical or dental service corporation or plan or health maintenance organization, or a contractor  
8 as defined in §23-17.13-2 which operates a health plan.

9 (4) "Health care provider" means a health care professional or a health care facility.

10 (5) "Health plan" means a plan operated by a health care entity that provides for the  
11 delivery of health care services to persons enrolled in those plans through:

12 (i) Arrangements with selected providers to furnish health care services; and

13 (ii) Financial incentives for persons enrolled in the plan to use the participating providers  
14 and procedures provided for by the health plan.

15 SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance  
16 Organizations" is hereby amended by adding thereto the following section:

17 **27-41-86. Health care provider credentialing.** – (a) For applications received on or  
18 after July 1, 2017, a health care entity or health plan operating in the state shall be required to  
19 issue a decision regarding the credentialing of a health care provider as soon as practicable, but  
20 no later than forty-five (45) calendar days after the date of receipt of a complete credentialing  
21 application.

22 (b) Each health care entity or health plan shall establish a written standard defining what  
23 elements constitute a complete credentialing application and shall distribute this standard with the  
24 written version of the credentialing application and make such standard available on the health  
25 care entity's or health plan's website.

26 (c) Each health care entity or health plan shall respond to inquiries by the applicant  
27 regarding the status of an application;

28 (1) Each health care entity or health plan shall provide the applicant with automated  
29 application status updates, at least once every fifteen (15) calendar days, informing the applicant  
30 of any missing application materials until the application is deemed complete; and

31 (2) Each health care entity or health plan shall inform the applicant within one business  
32 day that the credentialing application is complete.

33 (3) If the health care entity or health plan denies a credentialing application, the health  
34 care entity or health plan shall notify the health care provider in writing and shall provide the

1 health care provider with any and all reasons for denying the credentialing application.

2 (4) If the denial is based on the health care entity or health plan having received an  
3 incomplete application the health care entity or health plan shall specify what additional  
4 information is required to complete the credentialing application.

5 (5) If the health care entity or health plan does not receive verification from external  
6 sources within the forty-five (45) calendar day period it may deny the application.

7 (d) The effective date for billing privileges for health care providers under a particular  
8 health care entity or health plan shall be the later of the date of the receipt by the health care  
9 entity or health plan of a complete credentialing application that was subsequently approved by  
10 the health care entity or health plan, or the date the health care provider is licensed by the Rhode  
11 Island department of health.

12 (e) For the purposes of this section, the following definitions apply:

13 (1) "Complete credentialing application" means all the requested material has been  
14 submitted.

15 (2) "Date of receipt" means the date the health care entity or health plan receives the  
16 completed credentialing application whether via electronic submission or as a paper application.

17 (3) "Health care entity" means a licensed insurance company or nonprofit hospital or  
18 medical or dental service corporation or plan or health maintenance organization, or a contractor  
19 as defined in §23-17.13-2 which operates a health plan.

20 (4) "Health care provider" means a health care professional or a health care facility.

21 (5) "Health plan" means a plan operated by a health care entity that provides for the  
22 delivery of health care services to persons enrolled in those plans through:

23 (i) Arrangements with selected providers to furnish health care services; and

24 (ii) Financial incentives for persons enrolled in the plan to use the participating providers  
25 and procedures provided for by the health plan.

26 SECTION 5. This act shall take effect on July 1, 2017.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES

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1           This act would require a health care entity or health plan to issue a decision regarding the  
2   credentialing of a health care provider within forty-five (45) days of receiving a complete  
3   credentialing application and would establish the effective date for billing privileges for health  
4   care providers as the later of the date of the receipt of the complete credentialing application, or  
5   the date the health care provider is licensed by the Rhode Island department of health.

6           This act would take effect on July 1, 2017.

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