

**HOUSE . . . . . No. 1189**

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The Commonwealth of Massachusetts

PRESENTED BY:

*Kay Khan*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to health care consumer protection.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>Carl M. Sciortino, Jr.</i>	<i>34th Middlesex</i>
<i>Timothy J. Toomey, Jr.</i>	<i>26th Middlesex</i>

**HOUSE . . . . . No. 1189**

By Ms. Khan of Newton, a petition (accompanied by bill, House, No. 1189) of Kay Khan, Carl M. Sciortino, Jr. and Timothy J. Toomey, Jr. relative to the protection of consumers in the purchasing and administration of health care insurance. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 938 OF 2009-2010.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Eleven**  
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An Act relative to health care consumer protection.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 1 of Chapter 176O of the General Laws is hereby amended by  
2 inserting after the definition of “Covered benefits” the following new definition:—  
3 “Credentialing” means the process of assessing and validating the  
4 qualifications of health care providers applying to be approved or reapproved by a health  
5 insurance carrier to provide health care services to the health insurance carrier’s insured. The  
6 process shall not allow any economic criteria to be used in determining an individual’s  
7 qualifications.

8 SECTION 2. Said section 1 of Chapter 176O is hereby further amended by  
9 inserting after the definition of "health care services" the following new definition:—

10 "Hospital-based physician", a pathologist, anesthesiologist, radiologist or emergency  
11 room physician who practices exclusively within the inpatient or outpatient hospital setting and  
12 who provides health care services to a carrier's insured only as a result of insured being directed  
13 to the hospital inpatient or outpatient setting. This definition may be expanded, by the division of  
14 insurance upon consultation with the Massachusetts Hospital Association, Massachusetts  
15 Medical Society, Massachusetts Association of Health Plans and Blue Cross and Blue Shield of  
16 Massachusetts, by regulation to include additional categories of physicians who practice  
17 exclusively within the inpatient or outpatient hospital setting and who provide health care  
18 services to a carrier's insured only as a result of insured being directed to the hospital inpatient or  
19 outpatient setting.

20 SECTION 3. Chapter 176O of the General Laws as appearing in the 2004 official  
21 edition is hereby amended by inserting after section 2 the following new sections:—

22 Section 2A. (a) The bureau shall adopt the "Integrated Massachusetts Application for  
23 Initial Credentialing/Appointment" and the "Integrated Massachusetts Application for Re-  
24 Credentialing/Re-Appointment," so called, and any revisions thereto, as developed and updated  
25 from time to time by the Massachusetts Medical Society, the Massachusetts Hospital  
26 Association, the Massachusetts Association of Health Plans and Blue Cross Blue Shield of  
27 Massachusetts as the statewide uniform physician credentialing application forms. Such forms  
28 shall not be applicable in those instances where the carrier has both delegated credentialing to a  
29 provider organization and does not require submission of a credentialing application.

30 (b) A carrier shall not use any initial physician credentialing application form other  
31 than the uniform initial physician application form or a uniform electronic version of said form.

32 A carrier shall not use any physician recredentialing application form other than the uniform  
33 physician recredentialing application form or a uniform electronic version of said form.

34 A carrier may require that the appropriate physician profile be submitted in addition to  
35 the uniform physician recredentialing application form.

36 (c) A carrier shall act upon and complete the credentialing process for

37 95% of complete initial physician credentialing applications submitted by or on behalf of  
38 a physician applicant within 30 calendar days of receipt of a complete application. An  
39 application shall be considered complete if it contains all of the following elements:

40 1. the application form is signed and appropriately dated by the physician applicant;

41 2. all information on the application is submitted in a legible and complete manner  
42 and any affirmative answers are accompanied by explanations satisfactory to the carrier;

43 3. a current curriculum vitae with appropriate required dates;

44 4. a signed, currently dated Applicant's Authorization to Release Information form;

45 5. copies of the applicant's current licenses in all states in which the physician  
46 practices;

47 6. a copy of the applicant's current Massachusetts controlled substances registration  
48 and a copy of the applicant's current federal DEA controlled substance certificate or, if not  
49 available, a letter describing prescribing arrangements;

50 7. a copy of the applicant's current malpractice face sheet coverage statement  
51 including amounts and dates of coverage;

- 52                   8. hospital letter or verification of hospital privileges or alternate pathways;
- 53                   9. documentation of board certification or alternate pathways;
- 54                   10. documentation of training, if not board certified;
- 55                   11. there are no affirmative responses on questions related to quality or clinical
- 56 competence;
- 57                   12. there are no modifications to the Applicant's Authorization to Release
- 58 Information Form;
- 59                   13. there are no discrepancies between the information submitted by or on behalf of
- 60 the physician and information received from other sources; and
- 61                   14. the appropriate health plan participation agreement, if applicable.

62                   (d) A carrier shall report to a physician applicant or designee the status of a submitted

63 initial credentialing application within a reasonable timeframe. Said report shall include, but not

64 be limited to, the application receipt date and, if incomplete, an itemization of all missing or

65 incomplete items. A carrier may return an incomplete application to the submitter. A physician

66 applicant or designee shall be responsible for any and all missing or incomplete items.

67                   (e) A carrier shall notify a physician applicant of the carrier's credentialing

68 committee's decision on an initial credentialing application within four business days of the

69 decision. Said notice shall include the committee's decision and the decision date.

70                   (f) A physician, other than a primary care provider compensated on a capitated basis,

71 who has been credentialed pursuant to the terms of this section shall be allowed to treat a

72 carrier's insured and shall be reimbursed by the carrier for covered services provided to a carrier's  
73 insured effective as of the carrier's credentialing committee's decision date. A primary care  
74 physician compensated on a capitated basis who has been credentialed pursuant to the terms  
75 established in this section shall be allowed to treat a carrier's insured and shall be reimbursed by  
76 the carrier for covered services provided to the carrier's insured effective no later than the first  
77 day of the month following the carrier's credentialing committee's decision date.

78 (g) The provisions of this section shall not apply to the credentialing and  
79 recredentialing by carriers of psychiatrists or hospital-based physicians by carriers.

80 Section 2B. (a) The bureau's accreditation requirements related to credentialing and  
81 recredentialing shall not require a carrier to complete the credentialing or recredentialing process  
82 for hospital-based physicians.

83 (b) Except as provided in paragraph (d), a carrier shall not require a hospital-based  
84 physician to complete the credentialing and recredentialing process established pursuant to the  
85 bureau's accreditation requirements.

86 (c) A carrier may establish an abbreviated data submission process for hospital-based  
87 physicians. Except as provided in paragraph (d) of this section, said process shall be limited to a  
88 review of the data elements required to be collected and reviewed pursuant to applicable  
89 regulations of the board of registration in medicine and shall not include primary source  
90 verification or a carrier's credentialing committee review.

91 (d) In the event that the carrier determines that there is a need to further review a  
92 hospital-based physicians credentials due to quality of care concerns, complaints from insured,

93 applicable law or other good faith concerns, the carrier may conduct such review as is necessary  
94 to make a credentialing or recredentialing decision.

95 (e) Nothing in this section shall be construed to prohibit a carrier from requiring a  
96 physician to submit information or taking other actions necessary for the carrier to comply with  
97 the applicable regulations of the board of registration in medicine.

98 (f) The Massachusetts Hospital Association, the Massachusetts Medical Society, the  
99 Massachusetts Association of Health Plans and Blue Cross and Blue Shield of Massachusetts  
100 shall work to develop standard criteria and oversight guidelines that may be used by carriers to  
101 delegate the credentialing function to providers. Such criteria and oversight guidelines shall meet  
102 applicable accreditation standards.

103 (g) Notwithstanding any special or general law to the contrary, nothing in section  
104 2A or 2B shall be construed as an exemption to federal or state antitrust laws, or as authorizing  
105 carriers, physicians or hospitals to engage in discrimination of health care providers; in relation  
106 to completing credentialing or recredentialing application forms or satisfying credentialing  
107 requirements of carriers, or of those providers the bureau has delegated credentialing functions  
108 to.

109 SECTION 4. Sections 2A(a) and 2A(b) in Section 2 shall take effect January 1,  
110 2013.