

SENATE BILL REPORT

2SHB 2335

As Reported by Senate Committee On:
Health Care, February 25, 2016

Title: An act relating to health care provider credentialing.

Brief Description: Addressing health care provider credentialing.

Sponsors: House Committee on General Government & Information Technology (originally sponsored by Representatives Cody, Appleton and Jinkins).

Brief History: Passed House: 2/11/16, 97-0.

Committee Activity: Health Care: 2/18/16, 2/25/16 [DPA, w/oRec].

SENATE COMMITTEE ON HEALTH CARE

Majority Report: Do pass as amended.

Signed by Senators Becker, Chair; Dammeier, Vice Chair; Cleveland, Ranking Minority Member; Angel, Bailey, Baumgartner, Brown, Keiser, Parlette and Rivers.

Minority Report: That it be referred without recommendation.

Signed by Senators Conway and Frockt.

Staff: Mich'l Needham (786-7442)

Background: Provider credentialing is the process that insurance carriers use to make sure a health care provider is qualified to provide care and treatment to their members. Legislation enacted in 2009 required that the Office of the Insurance Commissioner (OIC) 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 electronic process was required to be designed to:

- reduce the administrative burden on health care providers;
- improve the quality and timeliness of information for hospitals and insurance carriers;
- and
- serve as the sole source of health care provider credentialing information required by hospitals and insurance carriers.

The OIC selected OneHealthPort as the lead organization, which developed the credentialing database ProviderSource. Many insurance carriers in Washington require providers to submit

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credentialing applications online using the database through ProviderSource. Other insurance carriers or health facilities perform their own credentialing process or use a different third-party credentialing database.

Summary of Bill (Recommended Amendments): Health carriers and health care providers may submit credentialing applications to the single database.

Effective June 1, 2018, a health carrier must make a determination approving or denying a credentialing application submitted to the carrier no later than 90 days after receiving a complete application from a health care provider. Effective June 1, 2020, the average response for the health carrier to make a determination regarding the approval or denial of a provider's credentialing application must not exceed 60 days.

A health carrier is not required to approve a credentialing application that is submitted to it, nor is it required to place health care providers into a network.

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.

The OIC does not have an oversight or enforcement duty against a health carrier for the health carrier's failure to comply with provisions related to the use of the credentialing database.

Health care providers must update their credentialing information as necessary to provide for the purposes of recredentialing.

EFFECT OF CHANGES MADE BY HEALTH CARE COMMITTEE (Recommended Amendments): The use of the single database is made permissive for health care providers and health carriers.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on June 1, 2018.

Staff Summary of Public Testimony: PRO: This bill helps improve access to care and standardizes the provider credentialing process with a 90 day turnaround with the use of the existing database. There is no state fiscal impact. We build in a delayed start up to allow the ramp up and system improvements to ensure the program has the capacity. This is an efficiency bill that reduces paperwork for providers and ensuring there is a deadline for the credentialing process. There is no timeline requirement for the credentialing today and it can take months which impacts providers and patients.

OTHER: We were opposed to the original bill but we have worked with providers and reached an agreement on the revised timelines.

Persons Testifying: PRO: Seth Dawson, Wash. St. Psychiatric Assoc.; Nat. Alliance on Mental Illness; Jeb Shepard, Washington State Medical Association.

OTHER: Sydney Smith Zvara, Association of WA Healthcare Plans.

Persons Signed In To Testify But Not Testifying: No one.