

# HOUSE BILL 594

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8lr2674  
CF 8lr2039

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By: **Delegate Donoghue**

Introduced and read first time: January 31, 2008

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Carrier Credentialing – Reimbursement of Providers of**  
3 **Health Care Services**

4 FOR the purpose of requiring certain carriers to reimburse providers for certain health  
5 care services provided to enrollees on or after a certain date under certain  
6 circumstances; and generally relating to credentialing and reimbursement of  
7 providers of health care services.

8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 15–112(d)  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2007 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Insurance**

16 15–112.

17 (d) (1) A provider that seeks to participate on a provider panel of a carrier  
18 shall submit an application to the carrier.

19 (2) (i) Subject to paragraph (3) of this subsection, the carrier, after  
20 reviewing the application, shall accept or reject the provider for participation on the  
21 carrier’s provider panel.

22 (ii) If the carrier rejects the provider for participation on the  
23 carrier’s provider panel, the carrier shall send to the provider at the address listed in  
24 the application written notice of the rejection.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (3) (i) Except as provided in paragraph (4) of this subsection,  
2 within 30 days after the date a carrier receives a completed application, the carrier  
3 shall send to the provider at the address listed in the application written notice of:

4                   1. the carrier's intent to continue to process the  
5 provider's application to obtain necessary credentialing information; or

6                   2. the carrier's rejection of the provider for participation  
7 on the carrier's provider panel.

8           (ii) The failure of a carrier to provide the notice required under  
9 subparagraph (i) of this paragraph is a violation of this article and the carrier is  
10 subject to the penalties provided by § 4–113(d) of this article.

11           (iii) Except as provided in subsection (p) of this section, if, under  
12 subparagraph (i)1 of this paragraph, a carrier provides notice to the provider of its  
13 intent to continue to process the provider's application to obtain necessary  
14 credentialing information, the carrier, within 120 days after the date the notice is  
15 provided, shall:

16                   1. accept or reject the provider for participation on the  
17 carrier's provider panel; and

18                   2. send written notice of the acceptance or rejection to  
19 the provider at the address listed in the application.

20           (iv) The failure of a carrier to provide the notice required under  
21 subparagraph (iii)2 of this paragraph is a violation of this article and the carrier is  
22 subject to the provisions of and penalties provided by §§ 4–113 and 4–114 of this  
23 article.

24           (4) (i) A carrier that receives an incomplete application shall  
25 return the application to the provider at the address listed in the application within 10  
26 days after the date the application is received.

27           (ii) The carrier shall indicate to the provider what information  
28 is needed to make the application complete.

29           (iii) The provider may return the completed application to the  
30 carrier.

31           (iv) After the carrier receives the completed application, the  
32 carrier is subject to the time periods established in paragraph (3) of this subsection.

33           (5) A carrier may charge a reasonable fee for an application submitted  
34 to the carrier under this section.

1           **(6) IF A CARRIER ACCEPTS A PROVIDER FOR PARTICIPATION ON**  
2 **THE CARRIER'S PROVIDER PANEL, THE CARRIER SHALL REIMBURSE THE**  
3 **PROVIDER FOR ANY COVERED HEALTH CARE SERVICES THAT THE PROVIDER**  
4 **PROVIDES TO ENROLLEES OF THE CARRIER ON OR AFTER THE DATE THAT THE**  
5 **PROVIDER'S COMPLETED APPLICATION WAS SUBMITTED TO THE CARRIER.**

6           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2008.