

Senate Bill No. 429

(By Senators Prezioso, Foster, Jenkins, Stollings and Laird)

[Introduced March 3, 2009; referred to the Committee on Banking and Insurance; and
then to the Committee on Finance.]



A BILL to amend and reenact §16-1A-1, §16-1A-2, §16-1A-3 and §16-1A-4 of the Code of West Virginia, 1931, as amended; and to amend said code by adding thereto a new section, designated §16-1A-5, all relating to establishing a uniform credentialing form and establishing a single statewide credentialing verification organization (CVO) or no greater than three regional entities in the state; authorizing the Insurance Commission and the Department of Health and Human Resources to put the CVO out for bid; establishing various aspects of the program; requiring all health care practitioners and insurers, hospitals, third-party administrators and other health care entities to utilize the services of the single statewide CVO or a regional entity; and continuing the advisory committee for credentialing.

Be it enacted by the Legislature of West Virginia:

That §16-1A-1, §16-1A-2, §16-1A-3 and §16-1A-4 of the Code of West Virginia, as amended, be amended and reenacted; and that said code be amended by adding

thereto a new section, designated §16-1A-5, all to read as follows:

ARTICLE 1A. UNIFORM CREDENTIALING FOR HEALTH CARE PARTICIPATIONERS:

§16-1A-1. Legislative findings; purpose.

(a) The Legislature finds:

(1) Credentialing, required by hospitals, insurance companies, prepaid health plans, third party administrators and other health care entities, is necessary to assess and verify the education, training, experience and current clinical competence of health care practitioners to ensure that qualified professionals treat the citizens of this state.

(2) Currently, ~~a each of the entities requiring credentialing has its own credentialing application forms~~ form ~~resulting in health care practitioners being required to complete multiple forms listing the same or similar information. The duplication is costly, time consuming and not in the best interests of the citizens of this state~~ has been created to reduce duplication and increase efficiency. Each health care entity performs primary source verification for the practitioners who apply to that entity for affiliation. This duplication of primary source verification is time consuming and costly.

(3) The Secretary of the Department of Health and Human Resources and the Insurance Commissioner share regulatory authority over the entities requiring credentialing.

(b) The purpose of this article is to ~~authorize the development of uniform credentialing application forms by those public officials regulating the entities that~~

~~require credentialing and to establish an advisory committee to assist in developing a uniform credentialing process and implementing to implement the use of uniform credentialing through a credentialing verification organization of one or no greater than three entities in this state.~~

§16-1A-2. Development of uniform credentialing application forms Definitions.

~~Notwithstanding any provision of this code to the contrary, the secretary of the department of health and human resources and the insurance commissioner shall jointly propose rules for legislative approval in accordance with the provisions of article three, chapter twenty nine a of this code governing the development and use of uniform application forms for credentialing, recredentialing or updating information of health care practitioners required to use the forms.~~

(a) "Commission" is the insurance commission.

(b) "CVO" is a Credentialing Verification Organization which verifies the professional qualifications of all practitioners that are participating providers and that provide health care services to consumers.

(c) "The department" is the Department of Health and Human Resources;

(d) "Health care practitioners" means acupuncturists, audiologists, chiropractors, dental assistants, dental hygienists, dentists, dieticians, emergency medical technicians including but not limited to, basic, cardiac/critical, intermediate and paramedic, homeopaths, licensed practical nurses, licensed vocational nurses, licensed professional counselors including alcohol, substance abuse and family/marriage

counselors, mental health counselors, massage therapists, naturopaths, nuclear medicine technologists, nurse anesthetists, nurse midwives, nurse practitioners, nutritionists, occupational therapists, optometrists, orthotic/prosthetic fitters, pharmacists and nuclear pharmacists, physical and rehabilitation therapists, physician assistants, allopathic and osteopathic physicians, residents and interns, allopathic and osteopathic podiatrists, psychologists, clinical, radiation therapy technologists, radiologic technologists, registered nurses, respiratory therapists, respiratory therapy technicians, clinical social workers and speech and language pathologists.

(e) “Joint Commission” is an independent not-for-profit organization that evaluates and accredits more than 15,000 health care organizations and programs in the United States.

(f) NCQA means the National Committee for Quality Assurance, which is a private, 501(c)(3) not-for-profit organization dedicated to improving health care quality.

(g) “Primary source verification procedure” means the procedure used by a credentialing organization to verify the accuracy of documents and credentialing information submitted to it by a health care practitioner who is applying for affiliation with a health care entity.

(h) “URAC” means the American Accreditation Healthcare Commission.

§16-1A-3. Credentialing Verification Organization.

~~(a) The secretary of the department of health and human resources and the insurance commissioner shall jointly establish an advisory committee to assist them in~~

~~the development and implementation of the uniform credentialing process in this state. The advisory committee shall consist of eleven appointed members. Six members shall be appointed by the secretary of the department of health and human resources: One member shall represent a hospital with one hundred beds or less; one member shall represent a hospital with more than one hundred beds; one member shall represent another type of health care facility requiring credentialing; one member shall be a person currently credentialing on behalf of health care practitioners; and two of the members shall represent the health care practitioners subject to credentialing. Five members shall be representative of the entities regulated by the insurance commissioner that require credentialing and shall be appointed by the insurance commissioner: One member shall represent an indemnity health care insurer; one member shall represent a preferred provider organization; one member shall represent a third party administrator; one member shall represent a health maintenance organization accredited by American accreditation health care commission; and one member shall represent a health maintenance organization accredited by the national committee on quality assurance. The secretary of the department of health and human resources and the insurance commissioner, or the designee of either or both, shall be nonvoting ex officio members.~~

~~(b) Of the members of the advisory committee first appointed, four shall be appointed for a term of one year, four shall be appointed for a term of two years, and three shall be appointed for a term of three years. At the expiration of the initial terms,~~

~~successors will be appointed to terms of three years. Members may serve an unlimited number of terms. When a vacancy occurs as a result of the expiration of a term or otherwise, a successor of like qualifications shall be appointed.~~

~~(c) The advisory committee shall meet at least annually to review the status of uniform credentialing in this state, and may make further recommendations to the secretary of the department of health and human resources and the insurance commissioner as are necessary to carry out the purposes of this article. Any uniform forms and the list of health care practitioners required to use the uniform forms as set forth in legislative rule proposed pursuant to section two of this article may be amended as needed by procedural rule.~~

(a) The department and the commission are hereby given exclusive authorization to execute such contracts as are necessary to carry out the provisions of this article to provide a single CVO or no greater than three regional CVO's in the state that will provide electronic access to the West Virginia uniform credentialing application to all practitioners. The initial contract shall be for a period of five years at which time other credentialing organizations may enter the state. The selected entity or entities shall be the central repositories for information required by hospitals, and payers as part of the credentialing process, will verify all information provided by the practitioner, including site visits to the practitioner's office if required by a health plan and will make this information available electronically to hospitals, providers and all payers. The entity or entities will also establish procedures for ensuring that practitioners' files are

kept up to date by issuing quarterly reminders for updated information.

The CVO's shall be given preference if organized within the state of West Virginia. The CVO's are required to include on their board representatives of those classes of entities who will be using the CVO. The CVO shall develop a payment system that will cover the costs of the program and that is evaluated by the advisory committee created in section four of this article prior to implementation.

(b) Health care practitioners as well as hospitals, insurance companies, prepaid health plans, third party administrators and other health care entities shall utilize the services of a single CVO or no greater than three regional CVO's awarded contracts by the department and the commission upon the effectiveness of the CVO or CVO's. This mandate shall not be effective until and is premised upon:

(1) Each CVO being certified by the National Committee for Quality Assurance (NCQA);

(2) Accreditation by URAC and

(3) Demonstrated compliance with the principles for credentials verification organizations set forth by the joint commission.

(c) Each healthcare practitioner required to use the CVO is required to use the uniform credentialing application form developed by the advisory committee.

(d) Each healthcare practitioner required to use the credentialing verification organization shall be recredentialed every two years on their birthday. Those born in odd years shall be recredentialed in odd years and those born in even years shall be

recredentialed in even years. If a large employer so decides, the CVO may establish a single credentialing date for all practitioners within the employer organization.

(e) The CVO shall communicate by letter, fax or e-mail a notice of receipt and a notice of any additional documents or information needed to complete the application within twenty-one days of receipt of the application.

(f) Each applicant shall be credentialed within sixty days or no greater than ninety days of the application being deemed complete. The application is deemed complete when all information has been provided by the practitioner and all items have been verified.

(g) If the insurance company takes more than the ninety days to credential a health care practitioner, the insurer must issue a provisional approval. This practice accrues whether or not the practitioner's credentials are accepted by the insurer.

(h) In the additional process of granting privileges, the hospital shall follow their own governing documents for granting privileges.

§16-1A-4. Advisory committee.

(a) The Secretary of the Department of Health and Human Resources and the Insurance Commissioner shall jointly establish an advisory committee to assist them in the development and implementation of the uniform credentialing process in this state. The advisory committee shall consist of eleven appointed members. Six members shall be appointed by the Secretary of the Department of Health and Human Resources: One member shall represent a hospital with one hundred beds or less;

one member shall represent a hospital with more than one hundred beds; one member shall represent another type of health care facility requiring credentialing; one member shall be a person currently credentialing on behalf of health care practitioners; and two of the members shall represent the health care practitioners subject to credentialing. Five members shall be representative of the entities regulated by the insurance commissioner that require credentialing and shall be appointed by the insurance commissioner: One member shall represent an indemnity health care insurer; one member shall represent a preferred provider organization; one member shall represent a third party administrator; one member shall represent a health maintenance organization accredited by American accreditation health care commission; and one member shall represent a health maintenance organization accredited by the national committee on quality assurance. The Secretary of the Department of Health and Human Resources and the Insurance Commissioner, or the designee of either or both, shall be nonvoting ex officio members.

~~(b) Of the members of the advisory committee first appointed, four shall be appointed for a term of one year, four shall be appointed for a term of two years, and three shall be appointed for a term of three years. At the expiration of the initial terms, successors will be appointed to terms of three years. Members may serve an unlimited number of terms. When a vacancy occurs as a result of the expiration of a term or otherwise, a successor of like qualifications shall be appointed.~~

~~(c) The advisory committee shall meet at least annually to review the status of~~

~~uniform credentialing in this state, and may make further recommendations to the Secretary of the Department of Health and Human Resources and the Insurance Commissioner as are necessary to carry out the purposes of this article. Any uniform forms and the list of health care practitioners required to use the uniform forms as set forth in legislative rule proposed pursuant to section two of this article may be amended as needed by procedural rule.~~

(b) The Secretary of the Department of Health and Human Resources and the Insurance Commissioner shall collaborate with the CVO and the advisory committee established above, to develop a uniform credentialing form for use by all health care practitioners required to use the CVO. In addition, the CAQH and the state uniform credentialing form shall be acceptable.

§16-1A-5. Report required.

On or before the first day of January 1, ~~two thousand two~~ 2010, the ~~secretary of the department of health and human resources and the insurance commissioner~~ department and the commission shall jointly report to the Legislative Oversight Commission on Health and Human Resources Accountability on the need, if any, for further legislation to implement the use of the uniform credentialing application ~~forms~~ form developed pursuant to the legislative rule authorized by section two of this article.

NOTE: The purpose of the bill is to create a single Credentialing Verification Organization or no more than three such entities in the state and to establish

parameters for the credentialing process.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.

This bill shall also move current §16-1A-3 to §16-1A-4, with additional changes in the body of said section.

This bill shall also move current §16-1A-4 to §16-1A-5, with additional changes in the body of said section.

THIS IS AN INTERIM BILL RECOMMENDED FOR PASSAGE BY THE SELECT COMMITTEE D - HEALTH.