

## Chapter 529

(House Bill 444)

AN ACT concerning

### Health Insurance – Provider Panels – Notice of Receipt of Application

FOR the purpose of requiring certain health insurance carriers that receive a complete application from a health care provider that seeks to participate on a provider panel of a carrier to notify the health care provider that the application is complete; requiring, under certain circumstances, notice to be given to a health care provider at a certain address and within a certain period of time; requiring, under certain circumstances, that the notice from a certain credentialing system be considered notice that an application is complete; providing that certain provisions of this Act do not apply to a certain carrier until the Maryland Insurance Commissioner makes a certain certification; defining a certain term; clarifying certain language; and generally relating to participation of health care providers on provider panels of health insurance carriers.

BY repealing and reenacting, without amendments,  
 Article – Insurance  
 Section 15-112(a)(1), ~~(4), (9), and (10)~~ and (4)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Insurance  
 Section ~~15-112(d)~~ 15-112(a)(9) and (10) and (d)  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2010 Supplement)

BY adding to  
Article – Insurance  
Section 15-112(a)(9)  
Annotated Code of Maryland  
(2006 Replacement Volume and 2010 Supplement)

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

#### Article – Insurance

15-112.

(a) (1) In this section the following words have the meanings indicated.

(4) (i) “Carrier” means:

1. an insurer;
2. a nonprofit health service plan;
3. a health maintenance organization;
4. a dental plan organization; or

5. any other person that provides health benefit plans subject to regulation by the State.

(ii) “Carrier” includes an entity that arranges a provider panel for a carrier.

**(9) “ONLINE CREDENTIALING SYSTEM” MEANS THE SYSTEM THROUGH WHICH A PROVIDER MAY ACCESS AN ONLINE PROVIDER CREDENTIALING APPLICATION THAT THE COMMISSIONER HAS DESIGNATED AS THE UNIFORM CREDENTIALING FORM UNDER § 15-112.1(E) OF THIS SUBTITLE.**

~~(9)~~ **(10)** “Provider” means a health care practitioner or group of health care practitioners licensed, certified, or otherwise authorized by law to provide health care services.

~~(10)~~ **(11)** (i) “Provider panel” means the providers that contract either directly or through a subcontracting entity with a carrier to provide health care services to the carrier’s enrollees under the carrier’s health benefit plan.

(ii) “Provider panel” does not include an arrangement in which any provider may participate solely by contracting with the carrier to provide health care services at a discounted fee-for-service rate.

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

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

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

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

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

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

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

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

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

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

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

(4) (I) 1. **A EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 4 OF THIS SUBPARAGRAPH, A CARRIER THAT RECEIVES A COMPLETE APPLICATION SHALL NOTIFY THE PROVIDER THAT THE APPLICATION IS COMPLETE.**

2. **NOTICE IF A CARRIER DOES NOT ACCEPT APPLICATIONS THROUGH THE ONLINE CREDENTIALING SYSTEM, NOTICE SHALL BE GIVEN TO THE PROVIDER AT THE ADDRESS LISTED IN THE APPLICATION WITHIN 10 DAYS AFTER THE DATE THE APPLICATION IS RECEIVED.**

3. **IF A CARRIER ACCEPTS APPLICATIONS THROUGH THE ONLINE CREDENTIALING SYSTEM, THE NOTICE FROM THE ONLINE CREDENTIALING SYSTEM TO THE PROVIDER THAT THE CARRIER HAS RECEIVED**

THE PROVIDER'S APPLICATION SHALL BE CONSIDERED NOTICE THAT THE APPLICATION IS COMPLETE.

4. THIS SUBPARAGRAPH DOES NOT APPLY TO A CARRIER THAT ARRANGES A DENTAL PROVIDER PANEL UNTIL THE COMMISSIONER CERTIFIES THAT THE ONLINE CREDENTIALING SYSTEM IS CAPABLE OF ACCEPTING THE UNIFORM CREDENTIALING FORM DESIGNATED BY THE COMMISSIONER FOR DENTAL PROVIDER PANELS.

[(i)] (II) 1. A carrier that receives an incomplete application shall return the application to the provider at the address listed in the application within 10 days after the date the application is received.

[(ii)] 2. The carrier shall indicate to the provider what information is needed to make the application complete.

[(iii)] 3. The provider may return the completed application to the carrier.

[(iv)] 4. After the carrier receives the completed application, the carrier is subject to the time periods established in paragraph (3) of this subsection.

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2011.

**Approved by the Governor, May 19, 2011.**