2021 Regular Session

HOUSE BILL NO. 595

BY REPRESENTATIVE DUSTIN MILLER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE CLAIMS: Provides for the payment of health insurance claims prior to the credentialing of a healthcare provider

AN ACT

To amend and reenact R.S. 22:1874(A)(5)(a)(introductory paragraph) and (ii) and R.S. 46:460.62(A)(introductory paragraph) and (2), relative to the payment of claims made by healthcare providers prior to credentialing; to deem a new healthcare provider as an in-network provider for certain purposes; to repeal the requirement that a new healthcare provider submit proof of active hospital privileges; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1874(A)(5)(a)(introductory paragraph) and (ii) are hereby amended and reenacted to read as follows:

§1874. Billing by contracted healthcare providers

A.

* * *

(5)(a) Under certain circumstances and when the provisions of Subparagraph (b) of this Paragraph are met, a health insurance issuer contracting with a group of healthcare providers that bills a health insurance issuer utilizing a group identification number, such as the group federal tax identification number or the group National Provider Identifier as set forth in 45 CFR 162.402 et seq., shall pay the contracted reimbursement rate of the provider group for covered healthcare services rendered by a new provider to the group, without healthcare provider

credentialing as described in R.S. 22:1009. In addition, the health insurance issuer shall consider the new provider to be an in-network or participating provider for the purposes of any utilization management or prior authorization processes required by the health insurance issuer. This provision shall apply in either of the following circumstances:

* * *

(ii) When the health insurance issuer has received the required credentialing application ~~and information, including proof of active hospital privileges,~~ from the new provider and the issuer has not notified the provider group that credentialing of the new provider has been denied.

* * *

Section 2. R.S. 46:460.62(A)(introductory paragraph) and (2) are hereby amended and reenacted to read as follows:

§460.62. Interim credentialing requirements

A. Under certain circumstances and when the provisions of this Subsection are met, a managed care organization contracting with a group of healthcare providers that bills a managed care organization utilizing a group identification number, such as the group federal tax identification number or the group National Provider Identifier as set forth in 45 CFR 162.402 et seq., shall pay the contracted reimbursement rate of the provider group for covered healthcare services rendered by a new provider to the group without healthcare provider credentialing as described in this Subpart. In addition, the managed care organization shall consider the new provider to be an in-network or participating provider for the purposes of any utilization management or prior authorization processes required by the health insurance issuer. This provision shall apply in either of the following circumstances:

* * *

(2) When the managed care organization has received the required credentialing application ~~that is correctly and fully completed and information, including proof of active hospital privileges~~ from the new provider~~,~~ and the managed

care organization has not notified the provider group that credentialing of the new provider has been denied.

* * *

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Removes the requirement for new healthcare providers in a group practice to submit proof of active hospital privileges and requires health insurance issuers and managed care organizations (MCOs) to deem new providers as in-network for utilization management or prior authorization processes.

Present law ((R.S. 22:1874(A)(5) and (R.S. 46:460.62(A)) requires, under certain circumstances, a health insurance issuer or MCO to pay the contracted reimbursement rate for covered services rendered by a new provider who has not yet been credentialed, when the contracted healthcare group bills the respective issuer or MCO using a group identification number and the following circumstances apply:

(1) The new provider has already been credentialed by the health insurance issuer or MCO and the provider's credentialing is still active with the issuer or MCO.

(2) The health insurance issuer or MCO has received the required credentialing application and information, including proof of active hospital privileges, from the new provider and the issuer or MCO has not notified the provider group that the new provider's credentialing has been denied.

Proposed law retains present law but makes the following modifications:

(1) Requires a health insurance issuer or MCO to consider a new provider as an in-network or participating provider for the purposes of utilization management or prior authorization processes required by the issuer or MCO.

(2) Removes the requirement that the new provider submit proof of active hospital privileges.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1874(A)(5)(a)(intro. para.) and (ii) and R.S. 46:460.62(A)(intro. para.) and (2))