WEST VIRGINIA LEGISLATURE
FIRST REGULAR SESSION, 2009

ENROLLED

COMMITTEE SUBSTITUTE
FOR
House Bill No. 2885

(By Delegates Perdue, Hatfield, Marshall, Michael, Moore, Rodighiero and Border)

Passed April 11, 2009

In Effect Ninety Days from Passage
AN ACT to amend and reenact §16-1A-1, §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 uniform credentialing for health care providers; defining terms; establishing the composition of the advisory committee; requiring the advisory committee to develop proposed legislation to establish credentialing verification organization or organizations, and the disposition of existing organizations; describing the duties of CVOs; describing the procedures for completion of verification; establishing time frames for credentialing; requiring all health care practitioners and insurers, hospitals, third party administrators and other health care entities to use the CVO and the credentialing form; developing credentialing requirements; developing privacy considerations; providing penalties; and requiring a report to the Legislature regarding proposed legislation on or before January 1, 2010.
Be it enacted by the Legislature of West Virginia:

That §16-1A-1, §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 PRACTITIONERS.

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

(a) The Legislature finds:

1 (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 and experience of health care practitioners to ensure that qualified professionals treat the citizens of this state.

2 (2) Currently, a credentialing application form 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 (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 continue the advisory committee to assist in developing a uniform credentialing process and to develop legislation regarding the use of uniform credentialing through one or more credentialing verification organizations in this state.
§16-1A-3. Definitions.

(a) "Commissioner" is the Office of the Insurance Commissioner.

(b) "CVO" is a Credentialing Verification Organization which performs primary source verification of all health care practitioners' training, education and experience.

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

(d) "Health care practitioners" means those established pursuant to section two of this article in legislative rule.

(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 collect, verify and maintain 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.

(I) "Payor" means an insurer, prepaid health plan, hospital service corporation, third party administrator as defined in article forty-six, chapter thirty-three of this code,
or any other entity that reimburses health care practitioners for medical services.

§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 thirteen 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 URAC; 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. Upon the effective date of this legislation, the state hospital association and state medical association shall each designate to the department one person to represent their respective associations and
members and those designees shall be appointed to the advisory committee by the secretary of the department.

(b) 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. Representatives of the hospital and medical associations shall serve for three-year terms.

(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.

§16-1A-5. Development of legislation regarding CVO; report required.

(a) On or before January 1, 2010, the advisory committee established pursuant to section four of this article shall develop legislation that considers the following:

(1) The establishment of one or more CVOs within the state to provide primary source verification with electronic accessibility on a cost effective and operationally efficient basis;

(2) The number of CVOs necessary to provide this access for the state;
10 (3) The treatment of existing CVOs currently doing business within the state;

11 (4) The duties of a CVO and the timelines for completion of its verification duties;

14 (5) The procedures for maintaining healthcare practitioner files;

16 (6) The payment system to cover the costs of the credentialing program;

18 (7) The use and confidentiality of data generated, collected and maintained by a CVO;

20 (8) Compliance by CVOs with certificate requirements including NCQA, URAC, Medicare and Medicaid and other state and federal requirements;

23 (9) The required use by payors and hospitals of a CVO's primary source verification services;

25 (10) Credentialing recredentialing requirements as required by payors, hospitals and state and federal law and regulations;

28 (11) The use of site visits in credentialing;

29 (12) The maintenance, amounts and types of liability insurance to be obtained by a CVO;

31 (13) Consideration of existing statutory protections that should be extended to the CVO;

33 (14) Privacy considerations;
(15) If applicable, the terms and conditions of the contract under which a CVO operates in this state and the procedure and criteria upon which a CVO is selected;

(16) Penalties, if any, for noncompliance;

(17) Timelines for credentialing, recredentialing and other compliance obligation of payors;

(18) Reconciliation of the use of forms required by this article with other applicable state and federal laws and regulations.

(b) On or before January 1, 2010, the department and the commissioner shall jointly report to the Legislative Oversight Commission on Health and Human Resources Accountability proposed legislation to implement the provisions set forth in this article.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill as correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within is approved this the 11th day of May, 2009.

Governor