

STATE OF NEW YORK

1331

2017-2018 Regular Sessions

IN SENATE

January 9, 2017

Introduced by Sens. VALESKY, DeFRANCISCO, HANNON -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to provider credentialing

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subsection (a) of section 4803 of the insurance law is
2 amended by adding a new paragraph 3 to read as follows:

3 (3) A newly-licensed physician, a physician who has recently relocated
4 to this state from another state and has not previously practiced in
5 this state, or a physician who has changed his or her corporate
6 relationship such that it results in the issuance of a new tax identifi-
7 cation number under which such physician's services are billed for, who
8 is employed by a general hospital licensed pursuant to article twenty-
9 eight of the public health law, and whose other employed physicians
10 participate in the in-network portion of an insurer's network, shall be
11 deemed "provisionally credentialed" and may participate in the in-net-
12 work portion of an insurer's network upon : (i) the insurer's receipt of
13 the hospital and physician's completed sections of the insurer's creden-
14 tialing application; and (ii) the insurer being notified in writing that
15 the health care professional has been granted hospital privileges pursu-
16 ant to their requirements of section twenty-eight hundred five-k of the
17 public health law. However, a provisionally credentialed physician shall
18 not be designated as an insured's primary care physician until such time
19 as the physician has been fully credentialed by the insurer. An insurer
20 shall not be required to make any payments to the licensed general
21 hospital for services provided by a provisionally credentialed physi-
22 cian, until and unless the physician is fully credentialed by the insur-
23 er, provided, however, that upon being fully credentialed, the licensed
24 general hospital shall be paid for all services that the credentialed

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 physician provided to the insurer's insureds from the date the physician
2 fully met the requirements to be provisionally credentialed pursuant to
3 this paragraph. Should the application ultimately be denied by the
4 insurer, the insurer shall not be liable for any payment to the licensed
5 general hospital for the services provided by the provisionally creden-
6 tialed health care professional that exceed any out-of-network benefits
7 payable under the insured's contract with the insurer; and the licensed
8 general hospital shall not pursue reimbursement from the insured, except
9 to collect the copayment or coinsurance that otherwise would have been
10 payable had the insured received services from a health care profes-
11 sional participating in the in-network portion of an insurer's network.

12 § 2. Subdivision 1 of section 4406-d of the public health law is
13 amended by adding a new paragraph (c) to read as follows:

14 (c) A newly-licensed physician, a physician who has recently relocated
15 to this state from another state and has not previously practiced in
16 this state, or a physician who has changed his or her corporate
17 relationship such that it results in the issuance of a new tax identifi-
18 cation number under which such physician's services are billed for, who
19 is employed by a general hospital licensed pursuant to article twenty-
20 eight of this chapter, and whose other employed physicians participate
21 in the in-network portion of a health care plan's network, shall be
22 deemed "provisionally credentialed" and may participate in the in-net-
23 work portion of a health care plan's network upon: (i) the plan's
24 receipt of the hospital and physician's completed section of the plan's
25 credentialing application; and (ii) the health care plan being notified
26 in writing that the health care professional has been granted hospital
27 privilege pursuant to the requirements of section twenty-eight hundred
28 five-k of this chapter. However, a provisionally credentialed physician
29 shall not be designated as an enrollee's primary care physician until
30 such time as the physician has been fully credentialed by the health
31 care plan. A health care plan shall not be required to make any payments
32 to the licensed general hospital for services provided by a provi-
33 sionally credentialed physician, until and unless the physician is fully
34 credentialed by the health care plan, provided however that upon being
35 fully credentialed, the licensed general hospital shall be paid for all
36 services that the credentialed physician provided to the health plan's
37 enrollees from the date the physician fully met the requirements to be
38 provisionally credentialed pursuant to this paragraph. Should the appli-
39 cation ultimately be denied by the health care plan, the health care
40 plan shall not be liable for any payment to the licensed general hospi-
41 tal for the services provided by the provisionally credentialed health
42 care professional that exceed any out-of-network benefits payable under
43 the enrollee's contract with the health care plan and the licensed
44 general hospital shall not pursue reimbursement from the enrollee,
45 except to collect the copayment or coinsurance that otherwise would have
46 been payable had the enrollee received services from a health care
47 professional participating in the in-network portion of an insurer's
48 network.

49 § 3. This act shall take effect on the same date and in the same
50 manner as chapter 425 of the laws of 2016, takes effect, and shall apply
51 to applications submitted on or after such date and shall not apply to
52 applications submitted prior to such date if such application is resub-
53 mitted in substantially similar form on or after the effective date of
54 this act.