

AN ACT

ENTITLED, An Act to provide for the retrospective payment of clean claims for covered services provided by a health care professional during the credentialing period.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as follows:

Terms used in this Act mean:

- (1) "Application date," the date on which a health insurer or other entity responsible for the credentialing of health care professionals on behalf of the health insurer receives the health care professional's completed application for credentialing or change request;
- (2) "Clean claim," as defined in § 58-12-19;
- (3) "Health care professional," as defined in subdivision 58-17F-1(8);
- (4) "Health insurer," as defined in subdivision 58-17-100(2);
- (5) "Special Review," a supplemental review of a health care professional's completed application for credentialing or change request by a health insurer or other entity responsible for credentialing of health care professionals necessitated by credible evidence received by a health insurer or other entity responsible for credentialing of health care professionals as it relates to investigation of the following: action taken against the applicant's licensure status, action taken against the applicant's professional society status, verified complaints to facilities, or licensing agency regarding the applicant; the applicant's non-completion of training programs; a criminal proceeding brought against the applicant a malpractice claim brought against the applicant; loss of a Drug Enforcement Administration certificate or state-controlled substance certificate; loss of a Medicare or Medicaid certification status; or involuntary termination of credentialing

by a different health insurer.

Section 2. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as follows:

A health insurer shall make retrospective payment for all clean claims submitted by a health care professional after the credentialing period for covered services provided by the health care professional during the credentialing period subject to all of the following:

- (1) The credentialing period begins on the application date and ends on the date that the health insurer or other entity responsible for credentialing health care professionals on behalf of the health insurer has made a final determination approving the health care professional's application to be credentialed and notice has been sent;
- (2) The health insurer or other entity responsible for credentialing health care professionals on behalf of the health insurer shall, electronically or in writing, notify an applicant of its determination regarding a properly completed application for credentialing within ninety days of receipt of an application containing all information required by the health insurer's credentialing form:
 - (a) If an incomplete application is received, the health insurer or other entity responsible for credentialing of health care professionals on behalf of the insurer shall notify the health care professional of the incomplete application as soon as possible, but no more than thirty days after receipt of the application. The notification shall itemize all documentation or other information that the insurer or entity must receive to complete the application. The health insurer or other entity responsible for credentialing of health care professionals on behalf of the insurer may request additional information if the information provided by the health care professional to the insurer or other entity responsible for credentialing of health

care professionals on behalf of the insurer pursuant to this subsection is inaccurate, incomplete, or unclear;

- (b) A health insurer or other entity responsible for credentialing of health care professionals may take additional time beyond the ninety days if a special review is required;
- (3) The health care professional may not submit any claim to the health insurer during the credentialing period;
- (4) A health insurer may not be required to pay any claim submitted by a health care professional during the credentialing period;
- (5) The health insurer's time period for timely submission of claims may not begin until the credentialing period has ended. The health insurer's rules pertaining to timely submission may not be used to deny payment of any clean claim for medical services provided by a health care professional during the credentialing period, so long as the health care professional submits all such claims within the time period required by the health insurer's rules beginning on the date the health care professional receives notice that the healthcare professional is credentialed;
- (6) Unless otherwise prohibited by law, after the health care professional is credentialed, the health care professional shall submit all claims to the health insurer for covered services provided by the health care professional during the credentialing period;
- (7) After the health care professional is credentialed, a health insurer shall pay or deny all clean claims submitted by the health care professional for covered services provided by the health care professional during the credentialing period.

Section 3. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as follows:

Within ten business days of receiving a request for an application to be credentialed by a health care professional, a health insurer or other entity responsible for the credentialing of health care professionals on behalf of the health insurer shall send an application form to the professional, unless the application to be credentialed is available electronically on a public website. The application form shall identify and itemize all documentation and other information that the insurer or entity must receive in order for an application to be complete.

Section 4. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as follows:

Nothing in this Act applies to services provided by a health care professional that are covered by Medicaid, Medicare, TRICARE, or other health care benefit program subject to federal regulations regarding eligibility and provider payments. Nothing in this Act requires a health insurer or other entity responsible for credentialing health care professionals on behalf of the health insurer to take any action in violation of the requirements of the National Committee for Quality Assurance (NCQA) or Utilization Review Accreditation Commission (URAC).

Nothing in this Act requires a health insurer or other entity responsible for credentialing health care professionals on behalf of the health insurer to credential a health care professional or to permit a non-credentialed health care professional to participate in the health insurer's provider network.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1157

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1157
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State