75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session **MEASURE: SB 507 A**
STAFF MEASURE SUMMARY **CARRIER: Rep. Schaufler**
House Committee on Rules

REVENUE: No revenue impact
FISCAL: Minimal fiscal impact, no statement issued

Action:		Do Pass
Vote:		7 - 0 - 1
	Yeas:	Berger, Edwards C., Garrard, Gelser, Jenson, Read, Roblan
	Nays:	0
	Exc.:	Nolan
Prepared By:		Barbara Allen, Administrator
Meeting Dates:		6/8, 6/10, 6/24

WHAT THE MEASURE DOES: Requires managed health insurance or preferred provider organization insurance to approve or reject a provider application within 90 days of receipt. Requires insurers to compensate physicians during 90-day credentialing period at non-participating or participating provider rates. Provides exceptions to payment requirement.

ISSUES DISCUSSED:
- Corrects disadvantages of physicians doing business in Oregon
- Texas as example of streamlined rules to attract physicians to do business in that state
- Provides structure to the credentialing process for physicians

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Physicians are required to submit a credentialing application to a health plan network or managed health insurance program in order to be reimbursed for services provided to health plan enrollees. An applicant must provide: a detailed personal, educational, and professional history; copy of license to practice; proof of malpractice coverage; claims history; and records regarding whether the physician or health care professional has been sanctioned. The ability of a health plan network or managed care program to promptly review and respond to a physician's credentialing application is affected by such factors as the ability to verify an applicant's credentials and professional history and the health plan's current provider and enrollment composition. Approval of a credentialing application can take several months for an insurer to complete; during that time a physician will not provide health care services to plan beneficiaries because the physician is not compensated for those services, even if the physician is later approved.

Currently, health insurers are not statutorily required to approve or deny a physician's credentialing application within a designated period of time or reimburse for services provided during the credentialing period. Senate Bill 507-A requires an insurer to review and grant or deny a physician's credentialing application within 90 days of receipt and to compensate physicians during credentialing period at non-participating or participating provider rates.