

MEDICAID PROVIDER CREDENTIALING PROCESS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4330 as introduced
Sponsor: Rep. Hank Vaupel
Committee: Health Policy
Complete to 3-12-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4330 would add Section 111o to the Social Welfare Act, which would require the Michigan Department of Health and Human Services (DHHS) to work with contracted health plans to create, and managed care providers to comply with, a uniform credentialing process.

House Bill 4330 would require DHHS to work with contracted health plans to do all of the following:

- Establish and revise, as necessary, a uniform credentialing process for providers of medical assistance. In complying with this requirement, DHHS must consult with medical services providers required to accept credentialing.
- Ensure that the process establishes a streamlined uniform credentialing requirement for individuals who provide medical services through contracted health plans.
- Submit a report to the legislature describing the establishment of and any revisions to the process. (The report would be submitted 6 months after HB 4330 takes effect and annually thereafter.)
- Ensure that all of its forms, processes, and contracts related to providing medical services comply with the process.

Under the bill, a managed care provider that provides medical services to medical assistance recipients, either directly or through a contract, must comply with the process. (This requirement would not apply to a managed care provider contracting with a health plan in a region served by fewer than two health plans until three years after the bill took effect).

Section 105 of the Act provides that, as used in Sections 105 to 112 of the Act, ***provider*** means an individual, sole proprietorship, partnership, association, corporation, institution, agency, or other legal entity, who has entered into an agreement of enrollment specified by the DHHS director.

Finally, primary or secondary credential verification would remain the responsibility of individual health plans. This would not prohibit a managed care plan from approving or denying a medical services provider's participation or from collecting additional information from the provider in order to meet certain requirements.

The bill would take effect 90 days after enactment.

Proposed MCL 400.111o

BACKGROUND:

The bipartisan House C.A.R.E.S. (Community, Access, Resources, Education and Safety) mental health task force, formed on July 12, 2017, met with stakeholders and the public and toured facilities between July and October 2017 and released its report on January 17, 2018.¹ The report includes recommendations for improving care, developing methods of care, and enhancing care in Michigan's mental health system.

In its list of opportunities to enhance care, the report recommends the implementation of universal credentialing. The report notes the following:

In Michigan, physicians must be credentialed with each Medicaid Health Plan. We have heard that implementing universal credentialing at the state level for all the health plans will ease the process for providers and make it easier for them to accept Medicaid patients throughout the state.

FISCAL IMPACT:

House Bill 4330 would increase one-time state administrative costs by a negligible amount in order to establish and implement a uniform Medicaid credentialing process. Once implemented, the bill would not have a fiscal impact on the state or local units of government.

Legislative Analyst: Jenny McInerney
Fiscal Analyst: Kevin Koorstra

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.