

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003  
4

*As Engrossed: H3/28/03 H4/2/03 S4/7/03*

# A Bill

Act 1360 of 2003  
HOUSE BILL 2273

5 By: Representatives Biggs, Childers  
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## For An Act To Be Entitled

9 AN ACT TO GRANT HOSPITALS, CREDENTIALING  
10 ORGANIZATIONS, AND INSURANCE COMPANIES THE  
11 OPTION OF UTILIZING THE CENTRALIZED CREDENTIALING  
12 VERIFICATION SERVICE, OR OTHER APPROPRIATE  
13 ORGANIZATIONS; AND FOR OTHER PURPOSES.  
14

## Subtitle

15 AN ACT TO GRANT HOSPITALS, CREDENTIALING  
16 ORGANIZATIONS, AND INSURANCE COMPANIES  
17 THE OPTION OF UTILIZING THE CENTRALIZED  
18 CREDENTIALING VERIFICATION SERVICE, OR  
19 OTHER APPROPRIATE ORGANIZATIONS.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 17-95-107(d)(1) and (2), concerning  
26 *credentialing organizations for physicians*, are amended to read as follows:

27 (d)(1)(A) The board shall provide to any credentialing organization  
28 any credentialing information the board collects concerning any person  
29 licensed by the board, if the person authorizes release of the information.

30 (B) The board shall provide the information within fifteen  
31 (15) business days after receipt of the request.

32 (C) If any person fails or refuses for any reason to  
33 authorize release of credentialing information, the requesting credentialing  
34 organization shall be entitled, on grounds of such refusal, to exclude the  
35 person from any privileges, contract, or network of the credentialing  
36 organization.



1           (2)(A) The board shall promulgate regulations establishing a  
2           credentialing information system, and the regulations shall indicate the  
3           procedures for collection and release of credentialing information under this  
4           section.

5                     (B) The regulations shall require that before July 1, 2003, the  
6           process of recredentialing a physician shall be completed within thirty (30)  
7           business days, unless circumstances beyond the control of the board make  
8           completion of the process within thirty (30) business days impossible or  
9           unduly burdensome.

10                    (C) If the credentialing process is not completed within the  
11           required time and the board does not provide an adequate explanation for  
12           failing to meet the time requirement, the fee for the credentialing process  
13           shall be refunded to the credentialing organization, hospital, or other  
14           qualified recipient of the fee.

15                    (D) If disagreements arise over a claim that circumstances have  
16           made timely completion impossible or unduly burdensome, the disagreement  
17           shall be presented to the advisory committee established under  
18           subdivision(d)(3) of this section for a recommendation to the medical board  
19           on whether to refund the fee or not and in what amount, so that the board may  
20           issue an order to refund the fee or deny the request after consideration by  
21           the board.

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23           SECTION 2. Arkansas Code § 17-95-107(d)(7), concerning credentialing  
24           organizations for physicians, is amended to read as follows:

25                    (7)(A) The board may charge credentialing organizations a  
26           reasonable fee for the use of the credentialing service as established by  
27           rule and regulation.

28                    (B) The fee shall be set in consultation with the advisory  
29           committee and shall be set at such a rate as will reimburse the board, when  
30           added to the credentialing assessments collected from physicians, for the  
31           cost of maintaining the credentialing information system.

32                    (C) The board's costs may not exceed the fees charged by  
33           private vendors with a comparable statewide credentialing service.

34                    (D) Each physician licensee of the board will pay a  
35           credentialing fee of one hundred dollars (\$100) per year at the time of the  
36           renewal of the license for the years 2000 and 2001.

1                    (E) For the year 2002 and each year thereafter, the board  
 2 may assess each physician licensee an amount not to exceed ~~twenty-five~~  
 3 ~~dollars (\$25.00) one hundred dollars (\$100) per year to offset the cost for~~  
 4 providing the credentialing service. ~~Physicians shall not be charged a~~  
 5 ~~credentialing fee by a credentialing organization.~~

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 7                    SECTION 3. Arkansas Code § 17-95-107, concerning credentialing  
 8 organizations for physicians, is amended to additional subsections to read as  
 9 follows:

10                    (h) The board shall report quarterly to the House and Senate Interim  
 11 Committees on Public Health, Welfare, and Labor concerning the credentialing  
 12 process established in this section.

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 14                    SECTION 4. EMERGENCY CLAUSE. It is found and determined by the  
 15 General Assembly of the State of Arkansas that the regulations required by  
 16 this act must be in effect before July 1, 2003; that the Arkansas State  
 17 Medical Board must have sufficient time to prepare the regulations required  
 18 under this act; that the continuing practice of the state's physicians may be  
 19 adversely affected if this act does not go into effect immediately.  
 20 Therefore, an emergency is declared to exist and this act being immediately  
 21 necessary for the preservation of the public peace, health, and safety shall  
 22 become effective on:

23                    (1) The date of its approval by the Governor;

24                    (2) If the bill is neither approved nor vetoed by the Governor,  
 25 the expiration of the period of time during which the Governor may veto the  
 26 bill; or

27                    (3) If the bill is vetoed by the Governor and the veto is  
 28 overridden, the date the last house overrides the veto.

29                    /s/ Biggs

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 32                    APPROVED: 4/15/2003