

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Senator Ross

A Bill

SENATE BILL 760

For An Act To Be Entitled

"AN ACT TO AUTHORIZE HEALTH CARE ORGANIZATIONS TO USE
INFORMATION PROVIDED BY THE STATE MEDICAL BOARD FOR
CREDENTIALING PURPOSES; AND FOR OTHER PURPOSES."

Subtitle

"AN ACT TO AUTHORIZE HEALTH CARE
ORGANIZATIONS TO USE INFORMATION
PROVIDED BY THE STATE MEDICAL BOARD FOR
CREDENTIALING PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. For purposes of this act:

(a) *"Accrediting organization" means an organization which awards accreditation to hospitals, managed care organizations, or other health care organizations, including but not limited to the Joint Commission on the Accreditation of Health Care Organizations and the National Committee on Quality Assurance.*

(b) *"Board" means the State Medical Board.*

(c) *"Credentialing organization" means a health care organization that uses a process to collect and verify information pursuant to licensure and accreditation rules and regulations concerning the professional background of the health care provider who is applying for practice privileges before allowing that provider to practice in affiliation with that organization and defining the type and extent of the provider's privileges in the credentialing organization.*

(d) *"Primary source verification procedure" means the procedure used by a credentialing organization to ensure the truth and accuracy of documents*

1 and information submitted to it by a provider who is applying for practice
2 privileges with the credentialing organization.

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4 SECTION 2. The purpose of this act is to allow the State Medical Board
5 to provide information to credentialing organizations.

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7 SECTION 3. (a) The board may provide to any credentialing
8 organization any information the board collects concerning any person
9 licensed by the board if the person authorizes release of the information.

10 (b) The board shall promulgate regulations establishing a
11 credentialing information system and such regulations shall indicate the
12 procedures for collection and release of credentialing information under this
13 act.

14 (c) The board shall appoint a ten (10) member advisory group to assist
15 it with the adoption of policies and regulations concerning the credentialing
16 information system. Credentialing organizations shall have representation on
17 the advisory group.

18 (d) Credentialing information furnished by the board to a
19 credentialing organization shall be used solely for credentialing and the
20 renewal of credentials.

21 (e) The board may enter into contractual agreements with users of the
22 credentialing information system to define the type and form of information
23 to be provided and to give users assurances of the integrity of the
24 information collected.

25 (f) The board may charge credentialing organizations a reasonable fee
26 for the use of the credentialing service. The fee shall be set in
27 consultation with the advisory group and shall be set at such rate as will
28 reimburse the board for the cost of maintaining the credentialing information
29 system.

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31 SECTION 4. In lieu of testing information by its own primary source
32 verification procedure, a credentialing organization may rely upon
33 credentialing information from the board if the board certifies that the
34 information provided by the board has been tested by the board's primary
35 source verification procedure. No accrediting organization may require a

1 credentialing organization to perform its own primary source verification or
2 maintain copies of information provided by the board *if that credentialing*
3 *organization utilizes the credentialing information and primary source*
4 *verification services provided by the board.*

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6 SECTION 5. Hospitals which utilize the credentialing information
7 system offered by the State Medical Board shall not attempt to collect
8 duplicate information from individual physicians or originating sources. The
9 board may seek an injunction against any hospital violating or attempting to
10 violate this section and shall be entitled to recover attorneys_ fees and
11 court costs involved in obtaining the injunction.

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13 SECTION 6. This act expires and shall become null and void on July 1,
14 1999.

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16 SECTION 7. All provisions of this act of a general and permanent
17 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
18 Code Revision Commission shall incorporate the same in the Code.

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20 SECTION 8. If any provision of this act or the application thereof to
21 any person or circumstance is held invalid, such invalidity shall not affect
22 other provisions or applications of the act which can be given effect without
23 the invalid provision or application, and to this end the provisions of this
24 act are declared to be severable.

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26 SECTION 9. All laws and parts of laws in conflict with this act are
27 hereby repealed.

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29 SECTION 10. EMERGENCY. It is hereby found and determined by the
30 General Assembly that the current credentialing information gathering system
31 creates unnecessary duplications that add significant costs to the state_s
32 health care industry; that this act provides a collaborative approach to
33 eliminate unnecessary duplication and save expenses, and that this act should
34 go into effect immediately in order to more efficiently provide health care
35 to the citizens of this state. Therefore, an emergency is hereby declared to

1 exist and this act being necessary for the immediate preservation of the
2 public peace, health and safety shall be in full force and effect from and
3 after its passage and approval.

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/s/Ross

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