## A-Engrossed Senate Bill 604

Ordered by the Senate April 24 Including Senate Amendments dated April 24

Sponsored by Senators BATES, STEINER HAYWARD

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires Oregon Medical Board to establish database for purpose of providing to credentialing organizations information that is necessary to credential persons regulated by board.]

Requires Oregon Health Authority to establish program for purpose of providing to credentialing organizations access to information that is necessary to credential or recredential health care practitioners.

Requires establishment of electronic database for purposes of submitting and accessing credentialing information.

Sets January 1, 2016, operative date for provisions related to establishment of program and electronic database.

Requires authority to report on implementation of electronic database and adoption of rules related to program to interim committees of Legislative Assembly related to health and Legislative Assembly on or before specified dates.

## A BILL FOR AN ACT

- Relating to credentialing of health care practitioners.
- 3 Be It Enacted by the People of the State of Oregon:
- 4 <u>SECTION 1.</u> Sections 2 to 7 of this 2013 Act are added to and made a part of ORS chapter 5 442.
  - SECTION 2. As used in sections 2 to 7 of this 2013 Act:
  - (1) "Credentialing information" means information necessary to credential or recredential a health care practitioner.
  - (2) "Credentialing organization" means a hospital or other health care facility, physician organization or other health care provider organization, coordinated care organization, business organization, insurer or other organization that credentials health care practitioners.
  - (3) "Health care practitioner" means an individual authorized to practice a profession related to the provision of health care services in this state for which the individual must be credentialed.
  - (4) "Health care regulatory board" means a board or other agency that authorizes individuals to practice a profession related to the provision of health care services for which the individual must be credentialed.
  - SECTION 3. (1)(a) The Oregon Health Authority, in consultation with the advisory work group convened under section 7 of this 2013 Act, shall establish a program for the purpose of providing to a credentialing organization access to information that is necessary to credential or recredential a health care practitioner.

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- (b) To fulfill the requirements of this subsection, the authority shall establish and operate an electronic system through which credentialing information may be submitted to an electronic database and accessed. The system must operate and be accessible by credentialing organizations, health care practitioners and health care regulatory boards 24 hours a day, seven days a week. The authority may contract with a private entity to ensure the effective establishment and operation of the system.
- (c) To the greatest extent practicable, the electronic system shall use the most accessible and current technology available.
- (2) In consultation with the advisory work group convened under section 7 of this 2013 Act, the authority shall adopt rules for the operation of the electronic system, including:
- (a) Identification of the type of information that is necessary to credential or recredential each type of health care practitioner;
- (b) Processes by which a health care practitioner or health care regulatory board submits credentialing information to the authority or an entity that has entered into a contract with the authority under subsection (1)(b) of this section;
- (c) Processes, as required by recognized state and national credentialing standards, by which credentialing information submitted under section 4 of this 2013 Act is verified;
- (d) Processes by which a credentialing organization, health care practitioner or health care regulatory board may electronically access the database;
- (e) Processes by which a health care practitioner may attest that the credentialing information in the electronic database is current;
- (f) The purposes for which credentialing information accessed by a credentialing organization or health care regulatory board may be used; and
- (g) The imposition of fees, not to exceed the cost of administering sections 2 to 7 of this 2013 Act, on health care practitioners who submit credentialing information to the database and credentialing organizations that access the database.
- (3) All information, except for general information used for directories, as defined by the authority by rule, that is received, kept and maintained in the database under this section is exempt from public disclosure under ORS 192.410 to 192.505.
- SECTION 4. (1)(a) As a condition of being authorized to practice a profession in this state, a health care practitioner or designee must submit to the Oregon Health Authority, an entity that has entered into a contract with the authority under section 3 (1)(b) of this 2013 Act or a health care regulatory board the credentialing information identified by the authority under section 3 (2)(a) of this 2013 Act.
- (b) A health care practitioner that, in good faith, submits credentialing information under this subsection is immune from civil liability that might otherwise be incurred or imposed with respect to the submission of that credentialing information.
- (2) The authority may require a health care regulatory board, after consulting with the health care regulatory board, to provide or supplement the credentialing information identified by the authority under section 3 (2)(a) of this 2013 Act.
- (3)(a) A credentialing organization shall obtain from the authority, or an entity that has entered into a contract with the authority under section 3 (1)(b) of this 2013 Act, the credentialing information of the health care practitioner that is kept and maintained in the electronic database described in section 3 of this 2013 Act. A credentialing organization may not request credentialing information from a health care practitioner if the credentialing

information is available through the database.

(b) A credentialing organization that, in good faith, uses credentialing information provided under this subsection for the purposes established by the authority under section 3 (2)(e) of this 2013 Act is immune from civil liability that might otherwise be incurred or imposed with respect to the use of that credentialing information.

SECTION 5. A prepaid group practice health plan that serves at least 200,000 members in this state and that has been issued a certificate of authority by the Department of Consumer and Business Services may petition the Director of the Oregon Health Authority to be exempt from the requirements of sections 2 to 7 of this 2013 Act. The director may award the petition if the director determines that subjecting the health plan to sections 2 to 7 of this 2013 Act is not cost-effective. If a petition is awarded under this section, the exemption also applies to any health care facilities and health care provider groups associated with the health plan.

<u>SECTION 6.</u> The Director of the Oregon Health Authority shall adopt rules necessary for the administration of sections 2 to 7 of this 2013 Act.

SECTION 7. At least once per year, the Oregon Health Authority shall convene an advisory group consisting of individuals who represent credentialing organizations, health care practitioners and health care regulatory boards to review and advise the authority on the implementation of sections 2 to 7 of this 2013 Act and on the standard credentialing application used in this state.

SECTION 8. (1) To establish the electronic system described in section 3 of this 2013 Act, the Oregon Health Authority shall issue a request for information to seek input from potential contractors on capabilities and cost structures associated with the scope of work required to establish and maintain the electronic system. The authority shall use the results of the request for information to create a formal request for proposals. No later than 150 business days after the close of the request for information, the authority shall issue a formal request for proposals to establish and maintain the electronic system.

- (2) The authority may enter into a contract under section 3 (1)(b) of this 2013 Act with a private entity only if the private entity:
- (a) Can demonstrate appropriate technical, analytical and clinical knowledge and experience to carry out the duties prescribed by section 3 of this 2013 Act; or
- (b) Has a contract, or will enter into a contract, with another entity that meets the criteria described in this subsection.

SECTION 9. The Oregon Health Authority shall report on the implementation of the electronic system described in section 3 (1) of this 2013 Act and on the development of rules to be adopted under section 3 (2) of this 2013 Act to:

- (1) The interim committees of the Legislative Assembly related to health no later than October 1, 2014; and
  - (2) The Legislative Assembly in the manner required by ORS 192.245:
  - (a) On or before February 1, 2014; and
  - (b) On or before February 1, 2015.

SECTION 10. Sections 8 and 9 of this 2013 Act are repealed on the date of the convening of the 2016 regular session of the Legislative Assembly as specified in ORS 171.010.

- SECTION 11. (1) Sections 2 to 5 of this 2013 Act become operative on January 1, 2016.
- (2) The Oregon Health Authority may take any action necessary before the operative date

specified in subsection (1) of this section to enable the authority to exercise, on and after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the authority by sections 2 to 5 of this 2013 Act.

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