

JAN 19 2024

A BILL FOR AN ACT

RELATING TO HEALTH CARE PROVIDER CREDENTIALING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The legislature finds that credentialing health
3 care providers is an essential safety component of the health
4 care system. Credentialing establishes the bona fides of
5 certain clinical professionals by assessing their background and
6 legitimacy to provide care and is a requirement of the federal
7 government, all state governments, and private accreditation
8 agencies. The credentialing process includes organizing and
9 verifying professional records that qualify a clinician to
10 practice within a licensing jurisdiction, including board
11 certifications, hospital admitting privileges, education,
12 malpractice insurance history, professional references, and work
13 history.

14 The legislature also finds that credentialing is a time-
15 consuming and detail-oriented process performed by hospitals,
16 health plans, universities, and independent practice groups.



1 This process can be often duplicative, as the same professional
2 and educational records are requested across multiple entities.

3 Accordingly, the purpose of this part is to reduce the
4 administrative burden on the State's health care system by
5 authorizing a health care organization to accept a health care
6 provider's credentialing that was conducted by certain health
7 care organizations or state agencies.

8 SECTION 2. Chapter 321, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 **"§321- Credentialing of health care professionals. (a)**

12 A health care provider licensed in the State who has been
13 credentialled by:

- 14 (1) Any region of the Hawaii health systems corporation;
- 15 (2) A health plan or mutual benefit society accredited by
16 the National Committee on Quality Assurance and
17 licensed to conduct business in the State;
- 18 (3) A hospital licensed pursuant to section 321-14.5 that
19 is accredited by The Joint Commission; or
- 20 (4) A state agency authorized to perform health care
21 provider credentialing,



1 may be deemed fully credentialed for purposes of health plan
2 network participation.

3 (b) The department shall adopt rules in accordance with
4 chapter 91 necessary for the purposes of this section."

5 PART II

6 SECTION 3. The legislature further finds that while
7 reciprocal credentialing may increase efficiency by reducing
8 duplicative processes, the burden of work will likely be
9 unevenly distributed. Accordingly, the legislature recognizes a
10 role for the State in assuring efficient use of resources, and
11 that establishing a centralized resource, such as a health care
12 credentialing clearinghouse in partnership with the private
13 sector, can better equalize the cost of health care
14 administration simplification initiatives.

15 The purpose of a health care credentialing clearinghouse is
16 to reduce points of entry into various credentialing workstreams
17 for a health care provider. A health care provider would
18 register with the health care credentialing clearinghouse and
19 provide documentation and paperwork for primary source
20 verification. External entities could purchase the provider's
21 fully vetted records at less overall expense than it would be to



1 maintain full credentialing operations in each entity.
2 Participating health care facilities, health plans, and other
3 entities would still maintain their own records but without the
4 redundant effort.

5 Accordingly, the purpose of this part is to establish a
6 health care credentialing clearinghouse pilot program within the
7 department of health to reduce the administrative burden of
8 health care providers, reduce duplicative and parallel
9 workstreams, and apply more uniform standards for credentialing
10 processes based on national accreditation guidance.

11 SECTION 4. There is established within the department of
12 health a health care credentialing clearinghouse pilot program
13 to streamline statewide health care credentialing activities.
14 The department may contract with a private entity to assist in
15 the implementation of the health care credentialing
16 clearinghouse pilot program.

17 SECTION 5. In accordance with section 9 of article VII of
18 the Hawaii State Constitution and sections 37-91 and 37-93,
19 Hawaii Revised Statutes, the legislature has determined that the
20 appropriations contained in Act 164, Regular Session of 2023,
21 and this Act will cause the state general fund expenditure



1 ceiling for fiscal year 2024-2025 to be exceeded by
2 \$ or per cent. This current declaration takes
3 into account general fund appropriations authorized for fiscal
4 year 2024-2025 in Act 164, Regular Session of 2023, and this Act
5 only. The reasons for exceeding the general fund expenditure
6 ceiling are that:

- 7 (1) The appropriation made in this Act is necessary to
8 serve the public interest; and
- 9 (2) The appropriation made in this Act meets the needs
10 addressed by this Act.

11 SECTION 6. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2024-2025 for
14 the establishment of a health care credentialing clearinghouse
15 pilot program, including for one full-time equivalent (1.0 FTE)
16 program specialist VI position to implement the health care
17 credentialing clearinghouse pilot program.

18 The sum appropriated shall be expended by the department of
19 health for the purposes of this Act.

20 PART III

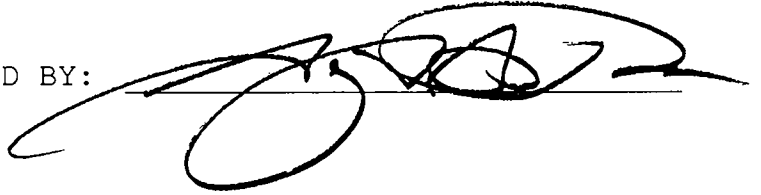
21 SECTION 7. New statutory material is underscored.



1 SECTION 8. This Act shall take effect on July 1, 2024.

2

INTRODUCED BY:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher.

S.B. NO. 2464

Report Title:

DOH; Health Care Credentialing; Health Care Providers; Health Care Credentialing Clearinghouse Pilot Program; Program Specialist VI Position; Expenditure Ceiling; Appropriation

Description:

Authorizes health care organizations to accept a health care provider's credentialing that was conducted by certain health care organizations or state agencies. Establishes a Health Care Credentialing Clearinghouse Pilot Program within the Department of Health. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation for the Health Care Credentialing Clearinghouse Pilot Program, including for one full-time equivalent (1.0 FTE) Program Specialist VI position to implement the pilot program.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

