

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 339

Short Title: Standardized Credentialing.

(Public)

Sponsors: Representatives C. Wilson; and Harrington.

Referred to: Rules, Calendar, and Operations of the House.

March 1, 2001

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR A CENTRALIZED CREDENTIALING PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. Article 15 of Chapter 131E of the General Statutes is amended by adding the following new section to read:

"§ 131E-256.5. Standard credentialing program.

(a) Purpose. – The purpose of this section is to eliminate unnecessary duplication of the collection of data on health care practitioners' credentials by establishing a central repository for core credentials data within the Department.

(b) Credentialing Program Established. – The Department shall establish, maintain, and update a current file of core credentials data on each health care provider. Any portions of the data that are confidential shall be released only upon the written authorization of the health care practitioner. The Department may charge a fee, not to exceed its actual costs, for the release of data.

A health care entity or a credentials verification organization is prohibited from collecting or attempting to collect duplicate core credentials from a health care practitioner if that data is available from the Department's credentials file established pursuant to this section. However, a health care entity or credentials verification organization may collect additional information that is not included in the core credentials data file.

(c) Reporting. – Each health care practitioner, directly or through a credentials verification organization designated by the practitioner, shall report to the Department all core credentials data and shall notify the Department within 45 days of any corrections, updates, or other changes. The data shall be submitted on a standardized form developed by the Department.

(d) Credentials Verification Organizations. – Each credentials verification organization must be fully accredited or certified as a credentials verification organization by a national accrediting organization, register with the Department, and

1 maintain liability insurance in an amount sufficient to comply with this section, as
2 determined by the Department. The Department may assess a fee for registration and
3 renewal thereof, not to exceed its actual expenses in providing and enforcing the
4 registration. Registration shall be renewed biennially. The Department may suspend or
5 revoke the registration of a credentials verification organization for a violation of this
6 section.

7 A credentials verification organization designated by the health care practitioner
8 pursuant to subsection (c) of this section must timely comply with the reporting
9 requirements and shall submit data only with the authorization of the health care
10 practitioner.

11 (e) Effect on Privileges; Liability. – This section does not impair or restrict the
12 authority of a health care entity to credential and to approve, deny, suspend, or revoke
13 hospital staff membership, clinical privileges, or the managed care network participation
14 of a health care provider. A credentials verification organization and a health care entity
15 are not liable for any damages or harm resulting from their good faith reliance on data
16 obtained from the Department's core credentials database.

17 (f) Rules. – The Department may adopt rules to implement this section.

18 (g) Definitions. – As used in this section:

19 (1) 'Certified' or 'accredited' means approved by a quality assessment
20 program of a national accrediting organization authorized by the
21 Department, used to assess and certify any credentials verification
22 program, entity, or organization that verifies the credentials of a health
23 care practitioner.

24 (2) 'Core credentials data' means current name, any former name or alias,
25 professional education, professional training, licensure, Drug
26 Enforcement Administration certification, social security number,
27 specialty board certification, Educational Commission for Foreign
28 Medical Graduates certification, hospital or other institutional
29 affiliations, professional liability insurance coverage, history of claims,
30 suits, judgments or settlements, disciplinary actions taken by the health
31 care practitioner's licensing board, disciplinary actions reported
32 pursuant to G.S. 90-14.13, and Medicare or Medicaid sanctions.

33 (3) 'Credential' or 'credentialing' means the process of assessing and
34 verifying the qualifications of a licensed health care practitioner or
35 applicant for licensure as a health care practitioner.

36 (4) 'Credentials verification organization' means an organization certified
37 or accredited as a credentials verification organization.

38 (5) 'Drug Enforcement Administration certification' means certification
39 issued by the Drug Enforcement Administration for purposes of the
40 administration or prescription of controlled substances.

41 (6) 'Health care entity' means any of the following:

42 a. A health care facility as defined in G.S. 131E-256(b).

43 b. An insurer as defined in G.S. 58-3-167.

44 c. An accredited medical school or medical college.

- 1 (7) 'Health care practitioner' means a person licensed or an applicant
2 seeking licensure under Articles 1, 7, 8, or 12A of Chapter 90 of the
3 General Statutes.
- 4 (8) 'Hospital or other institutional affiliations' means each hospital or other
5 institution for which the health care practitioner or applicant has
6 provided medical services.
- 7 (9) 'National accrediting organization' means an organization that awards
8 accreditation or certification to hospitals, managed care organizations,
9 credentials verification organizations, or other health care
10 organizations, including, but not limited to, the Joint Commission on
11 Accreditation of Healthcare Organizations, the American
12 Accreditation HealthCare Commission/URAC, and the National
13 Committee for Quality Assurance.
- 14 (10) 'Professional training' means an internship, residency, or fellowship
15 relating to the profession for which the health care practitioner is
16 licensed or seeking licensure.
- 17 (11) 'Specialty board certification' means certification in a specialty issued
18 by a specialty board recognized by the appropriate regulatory board
19 that regulates the profession for which the health care practitioner is
20 licensed or seeking licensure."

21 **SECTION 2.** There is appropriated from the General Fund to the
22 Department of Health and Human Services the sum of two hundred fifty thousand
23 dollars (\$250,000) for the fiscal year 2001-2002 and the sum of two hundred fifty
24 thousand dollars (\$250,000) for the 2002-2003 fiscal year for the implementation of this
25 act.

26 **SECTION 3.** Section 1 of this act becomes effective January 1, 2002. The
27 remainder of this act becomes effective July 1, 2001.