



2022 Legislative Session

Senate Bill 182 – “Provider Credentialing”

Problem

New Mexico suffers from an on-going shortage of physicians to serve the needs of New Mexico’s patients. While maintaining high standards that in no way sacrifice patient safety, New Mexico must do everything possible to remove barriers that hinder the provision of health care services to New Mexicans.

When a physician begins employment or seeks new privileges, they are required to complete a credentialing process. The credentialing process is important for patient safety because it verifies that a physician has the education, training, and experience necessary to provide care to patients.

In 2016, the New Mexico Legislature passed legislation that streamlined the credentialing process. Most importantly, the legislation requires health maintenance organizations, insurers, and other health care plans (*collectively referred to as “insurers”*) to issue credentialing decisions no later than forty-five (45) days after receiving a complete application. If an insurer fails to notify whether or not the credentialing application was approved within forty-five (45) days, the insurer must reimburse providers for health care services rendered.

Despite that clear mandate, insurers frequently delay reimbursement payments for weeks and even months because they have not “loaded” the provider’s information into their provider payment system. Delayed reimbursements inhibit the ability of a provider to support themselves, their family, and the operation of their practice. Most importantly, delayed reimbursements make it difficult for providers to deliver health care services to patients in need.

Proposal

- Within forty-five (45) days of receiving a complete credentialing application, an insurer must notify the provider whether or not they were successfully credential and, if successful, the credentialed provider must be activated and loaded into the insurers’ system and directory.
- If a provider is not notified within forty-five (45) days of the credentialing decision, they will be considered successfully credentialed, activated, and loaded into the insurers’ system and must be compensated for all covered health care provided after the forty-five (45) day deadline.

In short, the **entire process** of credentialing, notifying, activating, and loading a provider must be **completed within forty-five (45) days**. Doing so will ensure that credentialed providers receive timely reimbursement for health care services rendered and they will be able to continue to care for patients.

The New Mexico Medical Society **SUPPORTS** the “Provider Credentialing” bill as one tool that can help New Mexico resolve the ever-growing need for health care services in New Mexico.