

SUBCHAPTER X. CREDENTIALING OF PHYSICIANS, ADVANCED PRACTICE
NURSES AND PHYSICIAN ASSISTANTS
28 TAC §21.3201.

1. INTRODUCTION. The Commissioner of Insurance adopts amendments to §21.3201 concerning the Texas Standardized Credential Application for physicians, advanced practice nurses and physician assistants. The amendments are adopted with one change to the proposed text as published in the November 12, 2004 issue of the Texas Register (29 TexReg 10421).

2. REASONED JUSTIFICATION. These amendments are necessary to implement Insurance Code Article 21.58D, as amended by Acts 2003, 78th Legislature in §11 of House Bill 1095. Since September 1, 2001, Article 21.58D has required public or private hospitals, health maintenance organizations (HMOs) and preferred provider organizations to use standardized forms developed by the department for the verification of credentials of a physician. Article 21.58D was amended to include advanced practice nurses and physician assistants in the group of professionals whose credentials must be verified, using a standardized form prescribed by the Department of Insurance (department), by public or private hospitals, HMOs and preferred provider organizations.

3. HOW THE SECTION WILL FUNCTION. To effect implementation of Article 21.58D, this amendment adds definitions for “advanced practice nurse” and “physician assistant”

to §21.3201. References to “advanced practice nurse” and “physician assistant” are included where appropriate to make clear that the department’s standardized form must be used to verify their credentials, and an effective date is specified.

Additionally, minor clarification changes are adopted. These include appropriate renumbering of subsections and paragraphs, and updating a reference to the chapter of the Insurance Code that addresses requirements for HMOs. The language in §21.3201(a) indicating that the department’s form is incorporated by reference and the description of the form that appeared at §21.3201(c)(2) are unnecessary and this adoption deletes them.

Finally, the department determined that a statement of a statutory effective date in proposed §21.3201(d) was incorrect. It is corrected in this order.

4. SUMMARY OF COMMENTS. No comments were received.

5. STATUTORY AUTHORITY. The amendments are adopted under Insurance Code Chapter 1452 (formerly Articles 20A.39 and 21.58D), and §36.001. Chapter 1452 provides the statutory basis for credentialing of physicians and providers, and requires hospitals, HMOs and preferred provider organizations to use forms prescribed by the department when verifying the credentials of physicians, advanced practice nurses and physician assistants. Section 36.001 provides that the Commissioner of Insurance may

adopt any rules necessary and appropriate to implement the powers and duties of the Texas Department of Insurance under the Insurance Code and other laws of this state.

6. TEXT.

§21.3201. Texas Standardized Credentialing Application for Physicians, Advanced Practice Nurses and Physician Assistants.

(a) Purpose and Applicability. The purpose of this section is to identify the standardized credentialing application form required by the Insurance Code Article 21.58D. Hospitals, health maintenance organizations, preferred provider benefit plans, and preferred provider organizations are required to use this form for credentialing and recredentialing of physicians, advanced practice nurses and physician assistants.

(b) Definitions. The following words and terms when used in this section shall have the following meanings:

(1) Advanced practice nurse--An advanced practice nurse as that term is defined by Occupations Code §301.152.

(2) Credentialing--The process of collecting, assessing, and validating qualifications and other relevant information pertaining to a physician or provider to determine eligibility to deliver health care services.

(3) Department--Texas Department of Insurance.

(4) Health maintenance organization--A health maintenance organization as that term is defined by the Insurance Code §843.002(14).

(5) Hospital--A licensed public or private institution as defined by Chapter 241, Health and Safety Code, and any hospital owned or operated by state government.

(6) Physician--An individual licensed to practice medicine in this state.

(7) Physician assistant--A person who holds a license issued under Chapter 204, Occupations Code.

(8) Preferred provider benefit plan--A plan issued by an insurer under the Insurance Code Article 3.70-3C.

(9) Preferred provider organization--An organization contracting with an insurer issuing a preferred provider benefit plan under the Insurance Code Article 3.70-3C, for the purpose of providing a network of preferred providers.

(10) Recredentialing--The periodic process by which:

(A) qualifications of physicians, advanced practice nurses and physician assistants are reassessed;

(B) performance indicators including utilization and quality indicators are evaluated; and

(C) continued eligibility to provide services is determined.

(c) Texas Standardized Credentialing Application. The Texas Standardized Credentialing Application shall be used by all hospitals, health maintenance organizations, preferred provider benefit plan insurers, and preferred provider organizations for credentialing and recredentialing of physicians, advanced practice nurses and physician assistants.

(d) Effective date. The application form is required for initial credentialing or recredentialing that occurs on or after August 1, 2002 for physicians. The application form is required for advanced practice nurses and physician assistants for initial credentialing and recredentialing that occurs on or after May 20, 2003.

(e) Availability. This form may be obtained on the Department's Web site at www.tdi.state.tx.us or from the Texas Department of Insurance, Quality Assurance Section, HMO Division, Mail Code 103-6A, P. O. Box 149104, Austin, Texas, 78714-9104; or by calling 1-800-599-SHOP (1476); in Austin, 305-7211. Reproduction of this form without any changes is allowed.

(f) Electronic submission. The form may be submitted electronically to the credentialing entity in the same format as the hard copy form if the credentialing entity accepts such electronic submissions.

CERTIFICATION. This agency certifies that the adopted section has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued at Austin, Texas, on _____, 2005.

Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance

IT IS THEREFORE THE ORDER of the Commissioner of Insurance that amendments to §21.3201, concerning the Texas Standardized Credential Application for physicians, advanced practice nurses and physician assistants, are adopted.

AND IT IS SO ORDERED.

JOSE MONTEMAYOR
COMMISSIONER OF INSURANCE

ATTEST:

Gene C. Jarmon
General Counsel and Chief Clerk

COMMISSIONER'S ORDER NO. _____