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MEMORANDUM IN OPPOSITION

FOR IMMEDIATE RELEASE: FEBRUARY 28, 2019

Re: A.3077-A (Gottfried) An act to amend the public health law and the insurance law, in relation to certain application and referral forms for health care plans.

The proposed legislation, A.3077-A, amends the Public Health and Insurance Laws to require the Department of Health and the Department of Financial Services to create standardized forms for credentialing and referrals. While seemingly well intentioned, it is unnecessary and the New York Health Plan Association (HPA) is opposed.

Physician credentialing, the practice health plans and hospitals use to verify a physician's qualifications to treat patients in New York, is an important process that helps to ensure the quality of care that patients receive. While this legislation seeks to streamline the credentialing standards, New York already has a uniform form and an electronic process in place for credentialing. For example, the Council for Affordable Quality Healthcare (CAQH) has established the Universal Provider Datasource (UPD) service, the industry standard for collecting provider data used in credentialing nationwide. More than 1.3 million providers are already using the service and usage grows by more than 7,000 providers per month. Since November 2002, New York's health plans have used the UPD system. Today, 65 health care organizations in New York that participate with CAQH have adopted and accept the UPD.

Charging state agencies with creating a new credentialing form for use in New York when there is already a widely recognized and used application form and process in place in this and 49 other states is unnecessary and will ultimately add to increased complexity for physicians and higher administrative costs for everyone in health care. Likewise, directing state agencies to develop uniform referral forms will have the practical effect of imposing significant new administrative costs on all sectors of the health care system, as health plans and providers would have to undertake extensive systems and process changes to comply with new requirements that the state would adopt. Further, efforts to enhance the efficiency and reduce administrative complexity of the referral process are underway at the national level, making this bill unnecessary.

For all these reasons, we urges lawmakers to **OPPOSE** A.3077-A.

The New York Health Plan Association represents 29 managed care health plans that provide comprehensive health care services to more than 8 million New Yorkers.