

REFERENCE TITLE: health insurers; provider; payment; claims

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1291

Introduced by
Senator Angius

AN ACT

AMENDING SECTIONS 20-3451, 20-3453 AND 20-3456, ARIZONA REVISED STATUTES;
RELATING TO PROVIDER CREDENTIALING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-3451, Arizona Revised Statutes, is amended to
3 read:

4 20-3451. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Applicant" means a provider that submits a credentialing
7 application to a health insurer to become a participating provider in the
8 health insurer's network.

9 2. "Application" means an applicant's initial application to be
10 credentialed as a participating provider.

11 3. "COMPLETE CREDENTIALING APPLICATION" MEANS THE SUBMISSION OF A
12 HEALTH PLAN'S CREDENTIALING APPLICATION, INCLUDING ANY SUPPORTING
13 DOCUMENTS.

14 ~~3.~~ 4. "Credentialing" means to collect, verify and assess whether
15 a provider meets relevant licensing, education and training requirements
16 to become or remain a participating provider.

17 ~~4.~~ 5. "Designee" means a third party to whom the health insurer
18 has delegated credentialing activities or responsibilities.

19 ~~5.~~ 6. "Health insurer" means a disability insurer, group
20 disability insurer, blanket disability insurer, health care services
21 organization, hospital service corporation, medical service corporation or
22 ~~a~~ hospital, medical, dental and optometric service corporation and
23 includes the health insurer's designee. Health insurer does not include a
24 pharmacy benefits manager as defined in section 20-3321.

25 ~~6.~~ 7. "Loading" means to input a participating provider's
26 information into a health insurer's billing system for the purpose of
27 processing claims and submitting reimbursement for covered services.

28 ~~7.~~ 8. "Participating provider" means a provider that has been
29 credentialed by a health insurer ~~or its designee~~ to provide health care
30 items or services to subscribers in at least one of the health insurer's
31 provider networks.

32 ~~8.~~ 9. "Provider" means a physician, hospital or other person that
33 is licensed in this state or that is otherwise authorized to furnish
34 health care services in this state.

35 ~~9.~~ 10. ~~"Recredentialing"~~ "RECREENTIAL" means to confirm that a
36 participating provider is in good standing by a health insurer ~~or its~~
37 ~~designee~~ and does not require submitting an application or going through a
38 contracting and loading process.

39 ~~10.~~ 11. "Subscriber" means a person who is eligible to receive
40 health care benefits pursuant to a health insurance policy or coverage
41 issued or provided by a health insurer.

1 Sec. 2. Section 20-3453, Arizona Revised Statutes, is amended to
2 read:

3 20-3453. Credentialing; loading; timelines; exception

4 A. Except as provided in subsection ~~C~~ D of this section, the
5 health insurer shall conclude the process of credentialing and loading the
6 applicant's information into the health insurer's billing system within
7 ~~one hundred~~ FORTY-FIVE calendar days after the date the health insurer
8 receives a complete CREDENTIALING application.

9 B. A HEALTH INSURER SHALL PROVIDE WRITTEN OR ELECTRONIC
10 CONFIRMATION:

11 1. WITHIN TWO BUSINESS DAYS ON RECEIPT OF A COMPLETE CREDENTIALING
12 APPLICATION.

13 2. WITHIN SEVEN BUSINESS DAYS ON RECEIPT OF A CREDENTIALING
14 APPLICATION WITH DEFICIENCIES.

15 ~~B.~~ C. A health insurer shall provide written or electronic notice
16 of the approval or denial of a credentialing application to an applicant
17 within seven calendar days after the conclusion of the credentialing
18 process.

19 ~~C.~~ D. If a licensed health care facility has a delegated
20 credentialing agreement with a health insurer, the health insurer is not
21 responsible for compliance with the timeline prescribed in subsection A of
22 this section for an applicant who works for that facility, but shall
23 conclude the loading process for that applicant within ten calendar days
24 after the health insurer receives a roster of demographic changes related
25 to newly credentialed, terminated or suspended participating providers.

26 Sec. 3. Section 20-3456, Arizona Revised Statutes, is amended to
27 read:

28 20-3456. Covered services; claims

29 A health insurer ~~may not deny~~ SHALL PAY a claim for a covered
30 service provided to a subscriber by a participating provider who has a
31 fully executed contract with a network plan if the ~~covered services are~~
32 ~~provided after the date of approval of the credentialing application~~
33 PARTICIPATING PROVIDER'S CREDENTIALING APPLICATION HAS BEEN APPROVED
34 RETROACTIVELY BY THE HEALTH INSURER TO THE DATE OF THE PARTICIPATING
35 PROVIDER'S COMPLETE CREDENTIALING APPLICATION.