

(2) "Accrediting organization" means an organization that awards accreditation to managed care organizations, other health care organizations, hospitals, or other related institutions.

(3) "Primary source verification" means a procedure used by a hospital, related institution, or health maintenance organization to ensure the truth and accuracy of objective verifiable information submitted to the hospital, related institution, or health maintenance organization by a physician who is applying for practice privileges, entering into contract, or seeking employment with a hospital, related institution, or health maintenance organization.

(b) On or before January 1, 1997, the Secretary shall adopt regulations for a credentialing primary source verification information system that is available for all physicians licensed under the Health Occupations Article.

(c) After the Secretary reviews the standards of appropriate accrediting organizations and consults with the Faculty, the Maryland Hospital Association, and the Maryland Association of Health Maintenance Organizations, the regulations adopted by the Secretary under subsection (b) of this section shall:

(1) Provide for a procedure for the collection and release of primary source verification information;

(2) Include standards by which any organization, including the Faculty, may qualify to perform primary source verification; and

(3) Provide for the monitoring by the Secretary of any organization that qualifies to administer primary source verification.

(d) The Secretary may authorize hospitals, related institutions, or health maintenance organizations to rely on primary source verification information provided by an organization qualified to perform primary source verification in accordance with regulations adopted by the Secretary under this section instead of requiring a hospital, related institution, or health maintenance organization to use its own primary source verification procedure to test the truth and accuracy of information submitted.

(e) This section does not prohibit a hospital, related institution, or health maintenance organization from using its own primary source verification procedure.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998.

Approved May 12, 1998.

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