Credentialing: What managers need to know

Credentialing is the process ambulatory surgery centers (ASCs) use to ensure their licensed independent practitioners, such as physicians, dentists, and podiatrists, or other health professionals, such as nurse anesthetists, physician assistants, and RN first assistants, are properly qualified.

OR Manager surveyed ASC managers for their top questions about the credentialing process.

Nancy Burden, RN, MS, CAPA, CPAN, director of health services at Morton Plant Mease Health Care in Clearwater, Fla, and Linda Haddad, a senior partner with the health care law firm of Horty Springer & Mattern in Pittsburgh, provided answers to these credentialing questions.

Managers also should review standards of the Accreditation Association for Ambulatory Health Care (www.aaahc.org) and Joint Commission on Accreditation of Healthcare Organizations (www.jcaho.org) to ensure they meet state licensing and Medicare certification requirements.

Q Should we perform our own credentialing or use a credentials verification organization (CVO)?

Burden. I strongly suggest using CVOs. First, they have the expertise. Second, the time it takes to credential is significant. If you do not have someone with dedicated time for the function at your ASC, it will be difficult to accomplish efficiently.

Q How would you suggest that small, independent ASCs accomplish credentialing with-out it being too labor intensive?

Burden. There really is no shortcut. Credentialing is a critical function of the ASC. Use an experienced CVO to do the time-consuming background checks, primary source verifications, and so forth. A local hospital may be willing to sell this service to your facility, possibly for less than commercial CVOs. It could be a revenue stream for the hospital’s credentialing department, which is generally more of a cost center. Even when using a CVO, the ASC must have someone who is responsible for the ASC portion of the process.

Q Can you legally “buy” this service from an outside contractor?

Burden. The verification process can be purchased, but the ASC’s medical staff and board cannot outsource their responsibility to approve the credentialing.

Q How often must physicians be recredentialed?

Burden. For facilities accredited by JCAHO, credentials must be renewed every 2 years on or before the exact date. For example, if the physician is credentialed on Oct 22, 2004, the credentialing expires Oct 21, 2006. AAAHC standards require recredentialing every 3 years unless state law differs.
What is the difference between credentialing and privileging?

**Burden.** Credentialing is verifying that physicians are who they say they are; have been adequately trained, educated, and licensed; have insurance; and have the correct abilities, according to peers. Privileging is defining exactly what procedures the physician is capable of and is allowed to perform in your facility. A physician is first credentialed to be on the staff. Then when the credentials are confirmed, the physician must be granted privileges for specific procedures and treatments the physician may perform.

We have a dentist who wants to bring his own assistant to work with him. Do we need to credential the assistant? What about credentialing other providers, such as physician assistants, RN first assistants, or private scrub persons?

**Haddad.** The JCAHO Ambulatory Care Standards state that ancillary health care providers who are licensed independent practitioners (LIPs) must be credentialed in order to work in an ASC. The categories of ancillary health care providers who must be credentialed may vary from organization to organization and from state to state. Dental assistants may not be considered LIPs in all states, and their role may not include duties assigned to dental hygienists. State law should always be consulted in determining whether an ancillary provider is considered an LIP.

**Burden.** You must have a method to verify the credentials of everyone who touches patients. For staff members employed by the center, you check credentials as part of the employment process. But for all others who are private assistants to a physician or come from a supplying organization, the credentialing process is nearly identical to the physician credentialing process.

What are effective ways of securing proof of experience before approving supplemental procedures for a physician? Some physicians resent that we even question their experience.

**Haddad.** Proof of experience must be obtained prior to approving supplemental procedures. A core credentialing criterion is verification of a physician’s ability to perform requested privileges. A practitioner’s ability to perform any clinical privilege must be evaluated and documented in the practitioner’s credentials file. Although JCAHO standards do not discuss specific ways of securing proof of experience for supplemental procedures, the ASC may wish to handle such requests in a manner similar to that a hospital might use to address requests for clinical privileges by low-volume practitioners. The practitioner must provide considerable additional information, such as detail about volume at other sites and office practice; copies of any quality or peer review assessments; names of physicians with whom the individual shares patients regularly, along with a clear release authorizing those physicians to respond to queries from the credentialers or authorization to conduct an office site visit and review records.

Another option is requiring that the first 3, 10, or 15 supplemental procedures involve a board-certified physician preceptor in the same clinical specialty who will assume responsibility for those patients and report to the leaders of the ASC.

How long does the entire credentialing process take?

**Burden.** It varies. The shortest time for verifying all needed information is 2 weeks, but it could be up to 4 weeks or more. The primary issue is how long it takes for reference sources—schools, residencies, peers—to get information back to you. Then add the time needed for your ASC credentialing committee to review the file and possibly interview the physician, the medical executive committee to make its recommendations to the board, and the board approval process.
Can we use information from the local hospital where the physician has privileges?

**Burden.** No. Your information must come from the original source.

Why do we have to check with the Health and Human Services Office of the Inspector General (OIG)?

**Burden.** If your facility is Medicare-certified and caring for Medicare patients, you must ensure that any physician the ASC credentials is in good standing with the Centers for Medicare and Medicaid Services and has not been excluded from the Medicare program (http://oig.hhs.gov/fraud/exclusions.html).

Who else must take an active role in the credentialing process?

**Burden.** Physician peers must provide a credentialing review. Physicians also may be needed to interview a physician under consideration who is unknown to the physician staff. The board of directors ultimately is responsible to grant or deny the physician privileges.

What are some red flags that indicate this physician might not be good for our ASC?

**Burden.** Some red flags are:

- poor peer reviews
- physicians listed as references who will not provide one
- known behavior or clinical care problems at another facility
- unexplained time lapses in jobs or training on application or resume
- frequent job changes
- multiple lawsuits.

What is the best way to handle recredentialing a physician who has performed only a few or no cases in the prior year?

**Burden.** This is a difficult issue. First, be sure your policies clearly state volume requirements, if any. You need to apply evenly any policy you make to all physicians. If you have stipulated a specific number of cases, and the physician does not meet the criteria, you can state that the physician does not meet the criteria and ask him or her to resign or perform the minimum number of cases prior to the reappointment date. If you do not have a minimum number of cases specified, you still must verify the physician’s quality during recredentialing. If you want low-volume physicians to have the option of remaining on staff, it is probably not wise to set a defined number of cases.

—Leslie Flowers

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**What do physicians need to provide?**

Documentation a physician should provide for credentialing in an ASC:

- A curriculum vitae. Some facilities provide physicians a “preapplication” questionnaire so physicians can decide if they want to pursue the application process.
- If the ASC decides the physician meets its requirements, it can give the physician an application. Don’t get caught sending someone an application, then denying privileges. This practice is reportable to the National Practitioner Data
Bank (NPDB) and can become a legal and professional challenge both for the ASC and the applying physician.

- The physician submits the completed application with all pertinent background data (notify the physician if there are any blanks) and the following:
  - photo identification
  - current medical license
  - Drug Enforcement Administration license
  - proof of malpractice insurance required by the facility
  - copy of driver’s license (to facilitate background check)
  - signed permission for background checks
  - signed agreements to meet legal responsibilities, such as obtaining patients’ informed consent, remaining informed about ASC bylaws and rules and state and federal regulations and agreeing to follow them, and upholding patient privacy regulations
  - signed statement about health
  - copies of education certificates required by the ASC
  - signed agreement that the physician is responsible for informing the facility if the physician does not meet any requirements in the future
  - application fee, if your facility requires one.

See also Accreditation Association for Ambulatory Health Care accreditation standards. www.aaahc.org.

**Tips for credentialing efficiently**

- Use a checklist to organize and clarify the information you have received and the information you still need.
- Use the same file format for every physician and health care provider. Keep documents in the same order.
- Use tickler files and a log to call out when medical licenses, Drug Enforcement Agency licenses, and malpractice insurance policies expire.

Source: Nancy Burden, RN, MS, CAPA, CPAN, director of health services at Morton Plant Mease Health Care, Clearwater, Fla.