

Health care credentialing:

methods, management, and cost

An examination of the responsibilities, costs, confidence levels, and time management requirements that health care facility workers experience with respect to provider credentialing.



INTIVA HEALTH

2020

Executive summary

Hospitals and other health care organizations have traditionally viewed credentialing as a regulatory burden. More continuous monitoring is neglected because of the time and cost involved with manually validating employee records against various primary sources--potentially affecting the quality of patient care. Intiva Health conducted a survey that involved medical staff in a variety of health care facilities. Participants detailed the various hurdles involved with credentialing providers. Based upon the results of the survey, there are multiple avenues in which the Intiva Health Ready Doc™ platform can save health care facilities time and money with near-instant verification of necessary documents for credential management.



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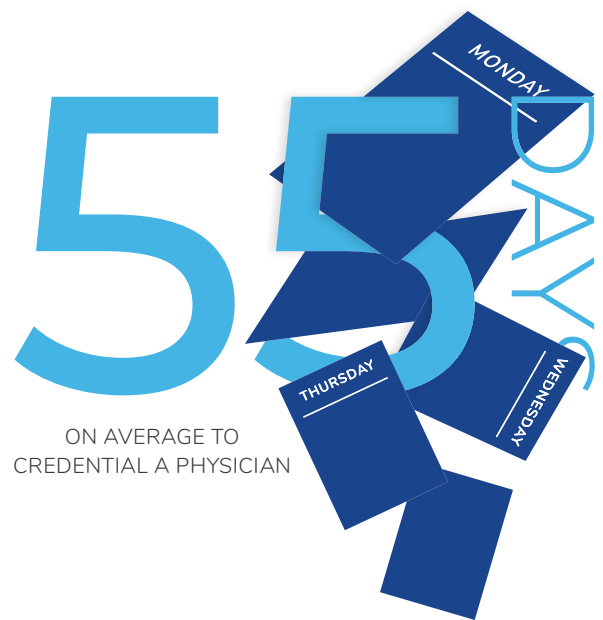
Introduction

Throughout the past 20 years, the credential management process within the health care sector has become complex and onerous primarily due to the expansion of the provider scope of practice, accrediting bodies, and requirements of third-party payers like Medicare, Medicaid, and private insurers. It can take anywhere from a few weeks to six months to get credentialed.

Then, facility staff spends an additional 20 hours per form. If any elements are missing from the application, or if a school, employer, or reference doesn't swiftly respond to verification requests, it can add weeks or even months to the process. All of this time spent waiting on credentials is precious time lost that could be utilized focusing on patient care, and ultimately represents a loss of revenue for the health care facility.

The credential management process must be re-done every two years in addition to fulfilling continuing medical education (CME) requirements. In combination with other non-clinical paperwork, this administrative burden takes up nearly nine hours a week for the average doctor, according to a study published in the International Journal of Health Services (Woolhandler & Himmelstein 2014).

A recent survey conducted by Intiva Health shows that despite all of the intricacies involved with credential management, a majority of health care workers still endure the process either manually, with electronic spreadsheet documents, or proprietary software. However, our survey shows that none of these methods provides complete confidence that they are executing the process correctly or efficiently.



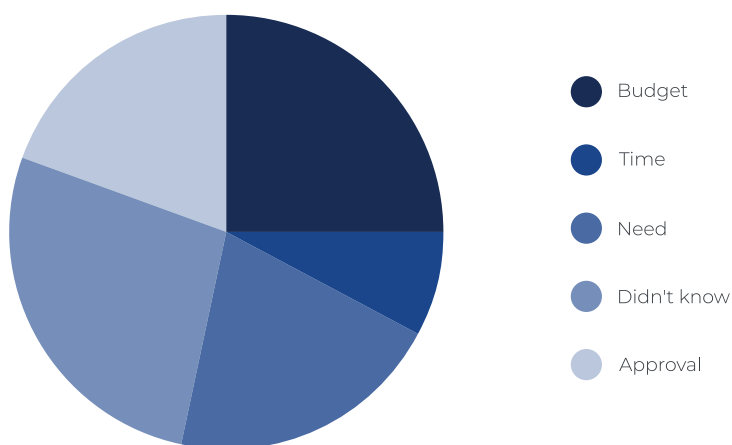
Importance of credentialing

Credentialing is a process that utilizes an established series of guidelines to ensure that patients receive the highest level of care from practitioners who have undergone the most stringent scrutiny regarding their ability to practice medicine. The process assures the patient that he or she is being treated by providers whose training, qualifications, licensure, and ability to practice medicine are acceptable and ensures that all health care workers are held to the same standard. Credential management is vital for all health care institutions and is a process that must be performed to ensure that health care workers providing the clinical services are qualified to do so (Patel & Sharma 2019).

When a physician applies to practice within a health care facility, they are asked to complete an application and allow a credentialing entity to research their professional documents. Problems begin when there are inaccuracies and discrepancies between various records.

Health care facilities have a legal responsibility to verify a provider's identity, education, work experience, malpractice history, and license verifications to protect patients from unqualified providers.

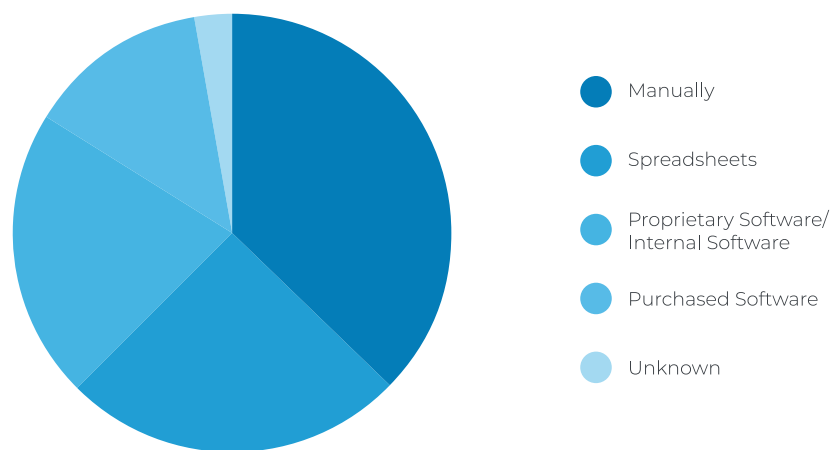
Reasons for not using credentialing software



According to an article in Healthcare Innovation (2011), one small human error in handling the clutter of paper documentation necessary for credentialing can result in a nurse being authorized to perform services beyond experience, or a physician with an expired license being allowed to continue to practice. These outcomes can have serious, negative consequences on patient safety, a physician’s professional survival, and the reputation of an affiliated institution.

The importance of maintaining up-to-date provider credentials is crucial for institutional protection and excellence in patient care. However, many health care organizations only check credentials at the time of hire and then once every two or three years. More continuous monitoring is neglected because of the time and cost involved with the predominant method of manually validating employee records against various primary sources.

Credentialing methods



The administrative burden associated with the manual process, and a failure to implement automated systems that would ease the burden and ensure consistent compliance, directly results from a lack of awareness and lack of understanding concerning the cost benefits, risk mitigation, and general efficiency of an electronic credentialing system.

Any negligence that may occur can have a detrimental impact on patient care. All health care institutions are responsible for ensuring that their medical staff is certified to do their job through an established credentialing process. This process is not simply tied to the demonstration of proper education and training. It also maintains accreditation standards and satisfies federal and state laws.

The credentialing process often varies among health care institutions. However, it is crucial that primary source verification is conducted to ensure that any papers submitted are not fraudulent. Primary source verification is a verification from the original source of a specific credential, such as education, training, or licensure, to determine the accuracy of the health care provider's qualifications.

Some examples of primary source verification include: National Provider Identifier, federal and state sanctions, state medical board, DEA permits, and medical licensures. An appropriate, methodological credentialing process can prevent admission of fraudulent health care workers with questionable qualifications, which yet again ensures a better quality of patient care and protects the reputation of the health care institution. Once credentialed, it is crucial that all health care workers are repeatedly audited for their performance (Patel & Sharma 2019).

Cost implications of credentialing

A slow credentialing process costs health care providers, facilities, and the industry at-large an exorbitant amount of money. Delays cost providers thousands of dollars in lost income—the exact amount of which depends on how much they earn and how long it takes to get credentialed. For a physician making the average income of nearly \$300,000 a year, waiting a few weeks would cost the provider around \$25,000 in lost income. The worst-case scenario of waiting six months would cost the provider around \$150,000 in lost income.

Slow credentialing represents a loss of revenue for individual facilities as well. According to a survey conducted by Merritt Hawkins, a single physician earns a facility an average of more than \$2 million per year. If credentialing that physician takes a few weeks, the facility would lose around \$150,000 in revenue. If it takes a few months, that equates to hundreds of thousands of dollars in lost revenue for the facility.

\$400,000

IN REVENUE LOST 

This problem affects more than a few physicians and facilities, it affects the entire health care industry. As an Institute of Medicine study found, the United States wastes half of the estimated \$361 billion a year it spends on health care administration. That amount is more than twice the nation's total spending on heart disease and three times its spending on cancer (Cutler 2012).

While that administrative waste is not solely accounted for by credential management processes, slow credentialing still costs the industry billions of dollars a year on its own.



It can take anywhere from a few weeks to six months for a physician to get credentialed¹

The average doctor spends

8.7 HOURS

per week on administration²



Doctors could start work sooner

\$25,000+

in lost income waiting to get credentialed³



\$192,000

Average school debt in 2018⁴

That's
\$2,000+
a month
for a
DECADE
with a
5% loan⁵



Fast credentialing
saves facilities

\$150,000+

per physician
per month⁷

The industry could save billions

\$361 BILLION

spent annually on healthcare administration

with half of that being unnecessary⁶

Patients could receive better care



of patients

Feel they have
enough time
together for
quality care⁸



of physicians



Equipment



Doctors



Beds



Nurses

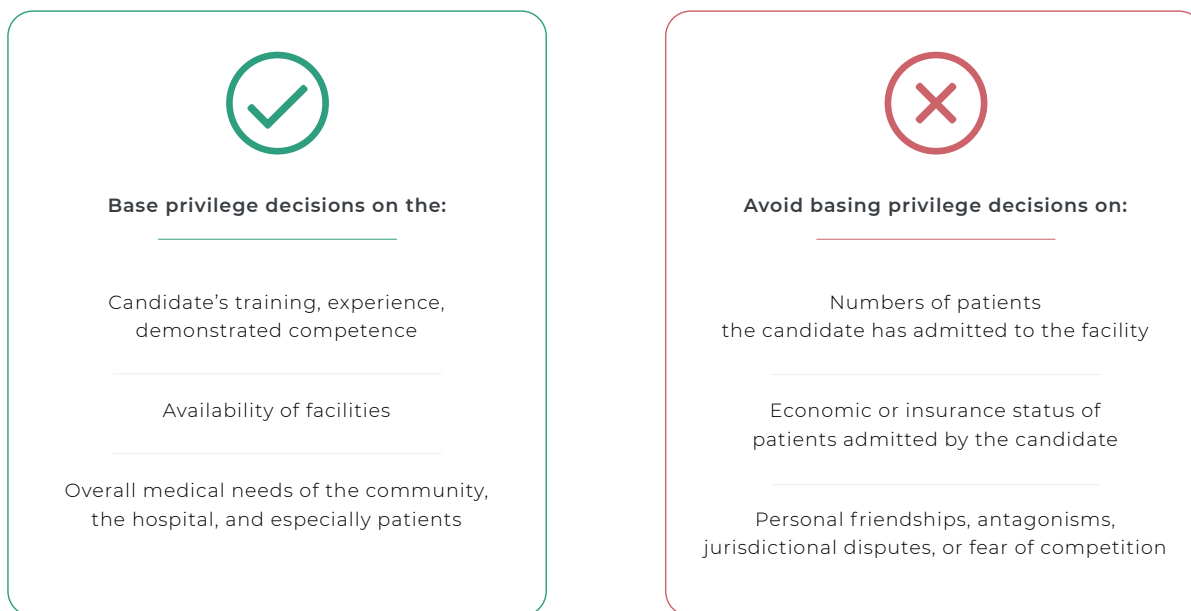


Facilities

Money saved
can be put
towards:

Inefficiencies beyond credentialing

The procedure involving new hires of health care workers at a facility and letting them get to work does not stop with credentialing. Once the credentialing process is completed, the process of granting or denying privileges begins (Matthews et. al 2017). According to the American Medical Association's (AMA) Principle of Medical Ethics, the purpose of privileging is to improve the efficiency and quality of patient care in the hospital. The AMA states in their Code of Medical Ethics Opinion 9.5.2 that the process can be divided into two categories: what to base privilege decisions on and what to avoid basing privilege decisions on:



Once a determination about privileges has been established, many health care institutions have developed a monitoring period. This is especially important for surgeons (Sachdeva et. al 2016). In some situations, only a retrospective chart review of patient medical records may be feasible. It is important that this review is conducted randomly on all health care workers who care for patients to ensure that they are compliant with all essential job functions such as the format of writing medical notes, providing dates for each entry, checking the laboratory framework, and double-checking any abnormal results (Patel & Sharma 2019).

Time and confidence

Participants in the credentialing process reported that when using Microsoft Excel, it takes nearly three months on average to credential a provider. Those that completed their credentialing manually stated that it took an average of more than one month to credential a provider. Participants that used an internal software developed within their organization completed the process only two days quicker than those who completed the process manually. Those that used externally purchased commercial software to credential a provider reported the process took on average nearly one month, more than two weeks faster than those that did the entire process by hand and more than six weeks faster than those using Excel.

Credentialing steps



With more than half of participants conducting credential management either via Microsoft Excel or a manual method, the majority of the health care industry appears to be spending around two months to complete the process from start-to-finish. More than half of the participants are conducting credential management via internal proprietary software, but it still takes them more than a month to complete the process. A small percentage of participants conduct credential management via purchased software, but it took them almost an entire month on average from start to finish.

Summary

On average, participants are spending nearly eight weeks to complete the credentialing process. Whether it is by hand, using Microsoft Excel, or via a type of software that is proprietary or otherwise, survey results show that any of the current methods result in a credentialing process that is extremely time intensive.

Based on the Merrit Hawkins report, our survey results indicate nearly \$400,000 in revenue is being lost on average for the credentialing process to be completed across different sectors of the health care industry utilizing diverse methods of credential management.

The problem of credentialing in the health care industry is here to stay, and the need for more efficient solutions is clearly paramount. Current survey results show that a dramatic shift away from existing credential management methods is needed. Time, money, and resources are all sacrificed to complete a process that is not only legally required, but necessary for quality health care services and successful business operations.

The misconceptions concerning health care credentialing software according to our survey are largely unsubstantiated. With nearly one-third of participants reporting that they did not know credential management software existed, an increase in awareness is needed across all sectors of the health care workforce.

It is critically important to find the most efficient credential management software that provides an “all in one” approach to credential management. There is no need for a step-by-step process to individually verify the more than 20 documents needed to ensure licenses and education, liability claims, background checks, historical insurance information, and OIG Exclusions. Intiva Health offers a single platform that combines all of the necessary documents into one package, along with alerts when credentials are set to expire, via a user-friendly, optimally efficient solution that will provide measurable cost savings and increased protection for patients, providers, and institutions.





Ready Doc™

BY INTIVA HEALTH



 Dashboard

 Safe

 Continuing Ed

 Careers

 Facility Reviews

 Refer Peers

Safe



Manage Credentials

Careers



Manage Career

Education

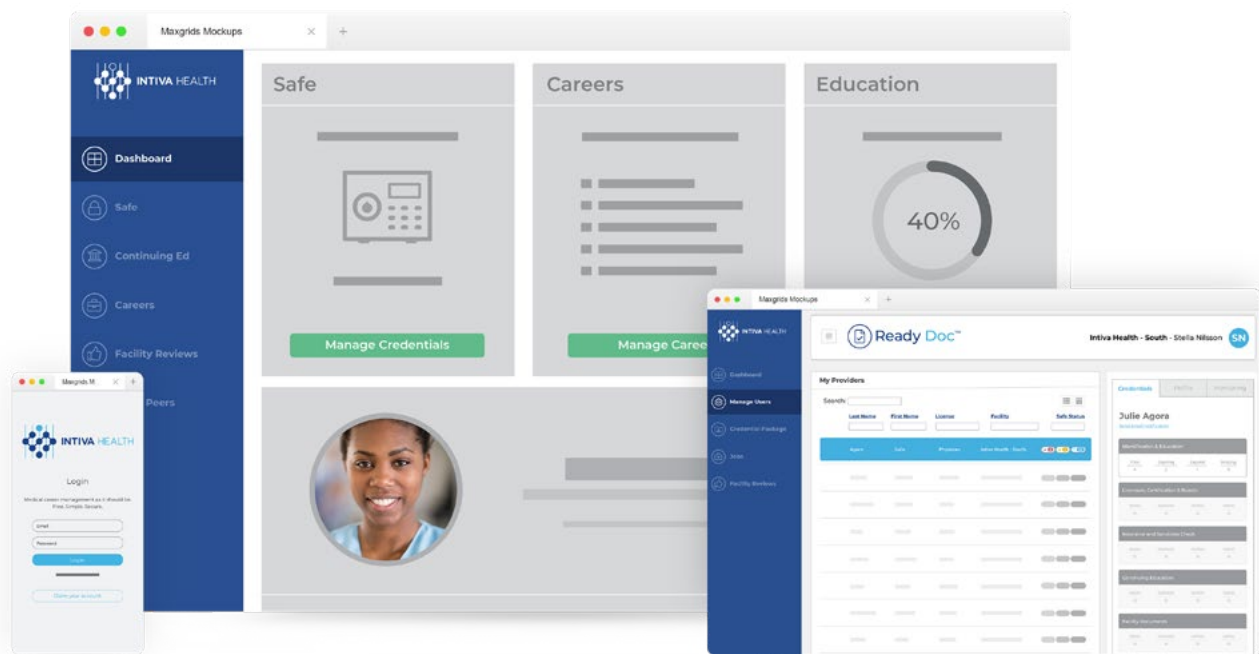


Earn CME/CE Now





Ready Doc is a revolutionary and proprietary credential management solution and is the only enterprise product in the market which utilizes distributed ledger technology. Ready Doc creates an immutable, digitized version of credentials and the verification of the credentials which shortens future verifications from months to minutes. After a medical professional's credentials are uploaded and verified in Ready Doc, that person can share the information with any medical facility and obtain near-instant privileges at that facility. The software works by generating a unique timestamp that can never be altered on the documents after they are uploaded into Ready Doc using a consensus algorithm. This ensures that you most current, unaltered document is available and further validates the legitimacy of the primary source verification.



The result is the elimination of financial losses. This solution is unprecedented and will revolutionize health care compliance.

Ready Doc also facilitates compliance by automatically monitoring the expiration of credentials and alerting medical professionals and facilities in advance. This solution allows all credential compliance to occur in the same place, dramatically increasing efficiency and reducing the risk of costly lapses in compliance. It is important to note that if a provider's credentials expire, any mistakes that they make at your facility during this time are not covered by malpractice insurance. Ready Doc provides peace of mind with automatic email reminders for expiring credentials within a selected time frame.

The Office of Inspector General (OIG) has the authority to exclude individuals and entities from federal health care programs for a variety of reasons, including a conviction for Medicare or Medicaid fraud. Anyone that is excluded cannot receive a payment from federal health care programs for any items or services they furnish, order, or prescribe. This includes those that provide health benefits funded directly or indirectly by the United States, other than the Federal Employees Health Benefits Plan. The Office of Inspector General maintains a list of all currently excluded individuals and entities called the List of Excluded Individuals/Entities (LEIE). Anyone who hires an individual or entity on the LEIE may be subject to civil monetary penalties (CMP). To avoid CMP liability, health care entities must routinely check the list to ensure that new hires and current employees are not on it.

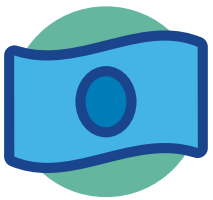
Ready Doc allows you to check the current status of a provider's OIG report at any point in time with OIG Exclusions Monitoring. This feature supports instant verification that the provider has no reported issues, saving a health care facility from any penalties and sets aside more time in the day to focus on other tasks of importance.

The screenshot shows a web application interface with three tabs at the top: 'Credentials', 'Profile', and 'Monitoring'. The 'Monitoring' tab is selected and highlighted in red. Below the tabs, the name 'Julie Agora' is displayed in a large, bold font. Underneath the name is a grey header bar labeled 'Sanctions'. Below this, the section is titled 'OIG Exclusions Monitoring' with a green 'Search' button to its right. A green text line indicates 'Last date of search: 11/13/2019'. The main result area states 'No exclusions were found, this individual is not currently excluded.' Below this, a 'Search Tip' section provides instructions: 'Verify the correct spelling of any names before starting a search, this can be done on the profile tab above. The database includes the name known to OIG at the time the individual was excluded, any former names used by the individual (e.g., maiden name, previous married name, etc.) should be searched in addition to the individual's current name.'



With all of these important health care documents in one place, extra steps have been taken to ensure security. Intiva Health determined that the Swirlds Hashgraph platform was the only one that could meet the stringent security requirements for personal data in the health care space. Hashgraph, similar to Bitcoin's blockchain, is a distributed ledger providing a decentralized online record of transactions that can be shared with registered users within the Ready Doc platform. Swirlds is a platform created to build and run fully distributed applications that harness the power of the cloud without servers. Applications built on the Swirlds platform boost peer-to-peer trust without the need for a central server. By leveraging the Hashgraph consensus algorithm, it delivers a high transaction throughput, low consensus latency, and fairness in transaction order.

Users can rest assured about the security of their digital documents and the ease of accessibility Ready Doc™ provides, there are three main benefits of the platform:



Save millions in lost revenue

- Earn revenue by having providers credentialed and ready to work in little time
- Save \$400 to \$600 per provider on printing, copying, faxing, paper, and postage
- Reallocate savings toward equipment, hiring, and patient care



Cut administrative work

- Save up to 20 hours of administrative work per provider
- Get reminded of expiration dates so you don't spend time tracking them on a spreadsheet
- Eliminate inefficiencies and redundancies by storing all credentials in one place



Boost security & compliance

- Stay compliant with automatic expiration reminders
- Reduce your risk of misplacing or losing documents by having a single platform
- Ensure all credential documents are received, up to date, and unaltered

All of the above will help to increase the quality of patient care, ensure the highest caliber of the staff, boost productivity, and save time while increasing revenue.

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