

Educational Audit of the Physician Credentialing Process

By
Barry S.
Bader

Part I. Initial Appointment Process

Hospital boards approve medical staff appointments and clinical privileges, but how much do they know about the process that produces the medical staff's recommendations on individual physicians? Can the board feel confident that the medical staff's credentialing process is thorough and based on objective criteria?

One way to find out is to conduct an "educational audit" of the credentialing process. The board or a Board Quality Committee asks medical staff leaders to review how physician applications for staff membership and clinical privileges are handled.

Here are some questions that might be addressed as part of an educational presentation and discussion of the initial appointment process.

1. **What information do we request on an application for medical staff membership?** Do we place the burden of proof on the applicant to demonstrate that he or she is qualified?
2. **Have we established *minimum* criteria for medical staff membership**, such as:
 - Current medical license in this state
 - Professional liability insurance from a recognized carrier
 - Evidence of current clinical competence, including documentation of medical school, residency training and satisfactory performance for all past and present hospital staff memberships
 - Board certification or admissibility
 - Close proximity to the hospital or suitable coverage arrangement
 - Applicant meets the needs of the hospital as indicated in the current medical staff manpower plan.
3. **What are the key steps in the initial appointment process?** How long does the process typically take? What are the responsibilities of:
 - Medical staff services office
 - Medical Director/Vice President for Medical Affairs
 - Department chairs
 - Credentialing committee
 - Medical Executive Committee
4. **How is the information on an application verified?**
 - What is a primary source, and why are primary sources so important to detect imposters and false statements?
 - Are photographs used to verify the applicant's identity?
5. **How are the applicant's clinical skills and ability to work with others evaluated? How are malpractice cases reviewed?**
6. **Are all applicants interviewed as part of the initial appointment process, usually by the credentials committee?** Is the applicant asked to explain any discrepancies or problems that surfaced during the credentials verification process, such as an adverse evaluation from a residency program director? Do the questions also include such questions as:
 - What are your plans for establishing an office in the area?
 - Why do you want to practice at this hospital? What will you contribute to the medical staff?
 - When was the last time you made an error in practice, and what did you learn from it?
7. **How often has a physician's application for initial appointment been rejected in the last five years?** How often do physicians withdraw their applications rather than provide information requested to document their competence?
8. **Has the medical staff established a "fast track" or expedited credentialing process** to provide rapid processing of well documented applications with no problems and a more thorough review of the smaller percentage of applications that have issues needing discussion?
9. **Do new applicants go through a proctoring or provisional period in which they must see a minimum number of patients and demonstrate satisfactory performance to a proctor?**
 - Who are the proctors?
 - Do proctors use formal evaluation criteria, observe the applicant's performance, or review patient records?
 - What happens if a practitioner fails to meet the minimum activity levels?
10. **What rights of appeal does a physician have?** How does the fair hearing process work? Is the process streamlined, or could it lead to a long, drawn appellate proceeding?

Part II. Reappraisal and Appointment Process

Most hospitals following Joint Commission requirements require physicians to reapply for membership and clinical privileges every two years.

There are three principal steps: Physicians submit an application updating their experience and training; the Medical Staff Services Office verifies the information they've provided; and desiganted medical staff leaders review each file and make a recommendation to the board.

All too often a rubber stamp in the past, the process of reappraising the clinical skills and performance of physicians who are applying for reappointment to the staff is now recognized as an integral part of a hospital's quality assurance and patient safety efforts. The board should be assured the process is objective and rigorous.

Here are some questions that the board, or a Board Quality Committee, might ask medical staff leaders as part of an educational audit of the reappraisal and reappointment process.

1. How many medical staff reappointments are processed at once?

- Is the entire staff reappointed every two years? Half the staff every two years? Staggered based on birthdays? Another method?
- Does the method used allow sufficient time for careful review?

2. What are the key steps in the reappraisal and reappointment process?

- How long does the process typically take?
- Are most applications submitted on a timely basis?
- Is there a fee?
- What are the responsibilities of the Medical Staff Services Office, the Chief Medical Officer, clinical department chairpersons, the medical staff Credentials Committee, and the Medical Executive Committee.

3. What information do we request on an application for reappointment to the medical staff and for renewal or change in clinical privileges?

- Do we place the burden of proof on the physician to demonstrate that he or she has maintained their clinical skills and met membership requirements?

4. Have we established *minimum* criteria for reappointment to the medical staff, such as:

- Current medical license in this state.
- Professional liability insurance from a recognized carrier.
- Evidence of current clinical competence, including the volume of activity and the results of quality reviews at this facility and other facilities.
- Board certification or admissibility, or recertification if the physician's specialty requires it.

5. How is the information on the reappointment application verified? How are the applicant's clinical skills and ability to work with others evaluated? How are malpractice cases reviewed?

In particular, what inquiries are made to:

- National Practitioner Data Bank.
- Other hospitals and ambulatory facilities where the physician had privileges in the past two years.
- Professional liability insurance carrier.

6. Are physicians asked to provide a statement on their physical and mental health status and whether they have any condition that could impair their ability to practice medicine? How are these statements evaluated?

- What is our policy and procedure for impaired physicians? Are any physicians currently in a program? How are they being monitored?

7. Must a physician have a minimum amount of activity to be reappointed? What happens if a physician doesn't meet the minimums?

Best Board Practices Checklist

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8. Has the medical staff established a “fast track” or expedited credentialing process to provide:

- Rapid processing for “Track A,” well-documented reappointment applications with no problems.
- A more thorough review of the smaller percentage of “Track B” applications that have issues needing more documentation and discussion.

9. How effective is the ongoing process of physician performance review?

- Is a physician performance profile compiled on each physician?
- If so, how is it used and what does it include? For example:
 - Volume of activity, measured by admissions, procedures or consultations.
 - Results of quality review monitoring, including any cases or trends judged not to meet the standard of care.
 - Number of new or pending malpractice claims and settlements, and findings of follow-up investigations.
 - Problems involving personal conduct and relationships with other physicians, patients or staff, and findings of follow-up investigations.
- Resource utilization statistics.
- Medical records completion.
- Participation in medical staff functions, such as committee membership, emergency department coverage and attendance at medical staff and departmental meetings.

10. Are there some specialties for which objective peer review is unusually difficult, because the specialty is small, one group dominates or a few competing groups dominate?

- How are these situations handled?
- How often has the medical staff sought independent, external peer review for a staff member or group of physicians? Was external review successful? Why or why not?

11. What is our method for delineating clinical privileges?

- Do we use the traditional “laundry list” of numerous procedures, or the more contemporary “category” approach describing the areas of permitted practice?
- Are new procedures requiring specific training delineated separately?

12. How many times has the board rejected or modified a physician’s application for reappointment and renewal of clinical privileges in the last five years?

- What were the circumstances and the outcome of these situations?

13. In the opinion of the CEO, chief medical officer, and chief of staff, is the reappointment process as diligent and objective as it should be?

- If these leaders could make any changes they wanted, how would they improve the process?