

# ADDVIVAL



## The Ins and Outs of Medical Credentialing

Credentialing refers to the process used by hospitals and health plans for approving physicians. Each entity grants approval after reviewing and verifying a physician's credentials. What may seem like a simple process actually involves tedious paperwork and unnecessary bureaucracy. Why is the credentialing process so complicated? Because every state, hospital, and insurance company maintains different rules, forms, processes and requirements. You need to learn the special nuances of credentialing to avoid any snafus in your claims payments.

**First, physicians and their office managers must gather the following list of items to begin the credentialing process:**

- **CAQH number, need login and password**
- **Curriculum Vitae (must include month/year and all training/employment)**
- **Medical License(s)**
- **Board Certificate(s)**
- **Professional Liability Insurance**
- **Documents regarding all settled and/or pending malpractice claims**
- **NPI number approval letter (need login and password)**
- **Copy of social security card (needed for Medicaid application)**
- **IRS verification of Tax ID and copy of diploma (for Medicare)**
- **CME certificates**
- **Driver's license or passport copy, TB and rubella test results (for hospital applications)**
- **Letters for all participating hospital privileges**
- **DEA and state controlled substance certificates (if applicable)**

Second, each piece of physician information must be completely accurate with current addresses. For example, the physician's curriculum vitae (CV) must include month and year for his or her entire training and work history. For new physicians starting at your practice, their CV must be updated with their start date before submitting it to insurers. If you plan to relocate your office, you should update your credentialing information as soon as you have your new address. It takes insurers between 4 and 6 weeks to update their systems. Until the system is updated, all checks and notices will be mailed to your old address. In addition, some insurers like Railroad Medicare obtain their data from Medicare. So if the Medicare system is incorrect, all of its subsystems will be as well.

If your name changes, you must update everything—all the documents listed above that you used in the initial credentialing process must be consistent. Not only must you update your Social Security card and driver's license with your new name, but also your license(s) DEA(s), CDS(s) and insurance policies. To further complicate the process, each authority (state licensing agencies, Drug Enforcement Administration, state controlled substance control groups, Social Security, Department of Motor Vehicles, etc.) has its own specific rules and regulations regarding name changes. For example, to update your DEA, a form is completed online, printed out and sent to the DEA with a current copy of your CDS (if applicable) and state license.

**To help avoid credentialing headaches, here's some additional advice:**

- Complete primary source verification when hiring a new physician to make sure actual credentials match what was presented during the interview. Review his or her basic credentials so no surprises pop up during the credentialing process. For example, a physician with a large volume of malpractice claims or license sanctions may trigger a thorough review by the health plans and delay credentialing.
- For physicians ending their residencies and fellowships, start the credentialing process as early as possible. Credentialing requires significant lead time for state licenses, hospital privileges and insurance applications. If you're paying new physicians at your practice, you need to be able to bill for their work!
- A physician joining your practice must have malpractice insurance effective for the start date with your practice in the coverage amounts specified by your state. Insurers verify this coverage by examining the malpractice insurance face sheet for: physician's name, coverage amounts, dates of coverage and specialty. The insurance face sheet is not the same as the invoice. In addition, some malpractice insurance companies issue "binders" instead of face sheets in advance of the malpractice insurance coverage. You need the face sheet, not the binder, for credentialing.

• More and more insurers, including Medicare, are requiring the applicant to wait until 30 days before their start date to initiate their credentialing. It is very important to have all documents signed and ready for submission 30 days ahead of their start date.

Health plans may do their best to avoid paying your claims. But, with a little know-how, you can avoid rejected claims because of credentialing errors. And best of all, your practice gets paid for the quality care it delivers!

### ABOUT THE AUTHOR



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