

# HEALTHWEST

## Policy and Procedure

No. 02-026

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Effective: December 20, 2002  
Revised: June 30, 2017

Approved by:

SUBJECT: Credentialing and  
Re-Credentialing Requirements

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### I. POLICY

HealthWest will ensure compliance with all applicable Federal, State and local laws, rules and regulations for credentialing and re-credentialing of all organizations and individual practitioners (non-employees) who are contracted by HealthWest as well as all directly employed practitioners.

### II. PURPOSE

In accordance with statutory and funding requirements, HealthWest is responsible to assure that providers (practitioners and organizations) are appropriately qualified and competent to provide covered and authorized services. All professionals who provide clinical services within the network must be properly credentialed and re-credentialed, including HealthWest's directly employed practitioners.

### III. APPLICATION

HealthWest directly employed practitioners and all contracted providers.

### IV. DEFINITIONS

- A. Credentialing – process by which HealthWest ensures providers meet certain criteria and remain in compliance with the criteria in order to be accepted as a network provider.
- B. Re-credentialing – process by which the HealthWest ensures that providers meet certain criteria and remain in compliance with the criteria in order to continue as a network provider.

### V. PROCEDURE

- A. HealthWest will have a written system in place for credentialing and re-credentialing individual practitioners included in their provider network that are not operating as part of an organizational provider.
  - 1. Credentialing and re-credentialing must be conducted and documented for at least the following health care professionals:

- a. Physicians (M.D.s and D.O.s)
  - b. Physician's Assistants
  - c. Psychologists (Licensed, Limited License and Temporary License)
  - d. Licensed Master's Social Workers, Licensed Bachelor's Social Workers, Limited License Social Workers, and Registered Social Service Technicians
  - e. Licensed Professional Counselors and Limited Licensed Professional Counselors
  - f. Nurse Practitioners, Registered Nurses, and Licensed Practical Nurses
  - g. Occupational Therapists and Occupational Therapist Assistants
  - h. Physical Therapists or Physical Therapist Assistants
  - i. Speech Pathologists
2. HW will ensure that:
- a. The credentialing and re-credentialing processes do not discriminate against:
    - i. A health care professional, solely on the basis of license, registration, or certification; or
    - ii. A health care professional who serves high-risk populations or who specializes in the treatment of conditions that require costly treatments.
  - b. Compliance with Federal requirements that prohibit employment or contracts with providers excluded from participation under either Medicare or Medicaid. A complete list of Centers for Medicare and Medicaid Services (CMS) sanctioned providers is available on the Michigan Department of Health and Human Services website at [www.michigan.gov/MDHHS](http://www.michigan.gov/MDHHS). (Click on Providers, click on Information for Medicaid Providers, click on List of Sanctioned Providers).
3. Lakeshore Regional Entity (LRE), the Pre-Paid Inpatient Health Plan (PIHP), retains the right to approve, suspend, or terminate a provider selected by HealthWest from participation in the provision of Medicaid-funded services.
4. The Executive Director of HealthWest is responsible for the oversight and implementation of the credentialing/re-credentialing decisions and processes. The LRE Corporate Compliance Officer shall review HealthWest's credentialing/re-credentialing processes and decisions made by HealthWest as part of its compliance monitoring.

5. HealthWest shall have a written credentialing policy and procedure that will reflect the scope, criteria, timeliness and process for the credentialing and re-credentialing of all of its directly employed practitioners and network providers, licensed and non-licensed. The policy will:
  - a. Specify the administrative staff person and entity (e.g., credentialing committee) responsible for oversight and implementation of the credentialing/re-credentialing processes and delineate their roles.
  - b. Describe any use of participating providers in making credentialing decisions.
  - c. Describe the methodology to be used by HealthWest staff members or designees to provide documentation that each credentialing or re-credentialing file was reviewed for completeness prior to presentation to their respective credentialing/re-credentialing authority (e.g., credentialing committee).
  - d. Describe how the findings of the HealthWest Quality Assessment Performance Improvement Program are incorporated into the re-credentialing process.
6. HealthWest must ensure that an individual credentialing/ re-credentialing file is maintained for each credentialed provider. Each file must include:
  - a. The initial credentialing and all subsequent re-credentialing applications;
  - b. Information gained through primary source verification; and
  - c. Any other pertinent information used in determining whether or not the provider met HealthWest's credentialing and re-credentialing standards.
7. The HealthWest Medical Director provides consultation to the HealthWest Executive Director regarding credentialing/re-credentialing of medical staff. HealthWest's policy shall specify the role of providers in the credentialing/re-credentialing process.

B. Initial Credentialing

At a minimum, HealthWest's policies and procedures for the initial credentialing of the individual practitioners must require:

1. A written application that is completed, signed and dated by the provider and attests to the following elements:
  - a. Lack of present illegal drug use.
  - b. Any history of loss of license and/or felony convictions.
  - c. Any history of loss or limitation of privileges or disciplinary action.

- d. Attestation by the applicant of the correctness and completeness of the application.
2. An evaluation of the provider's work history for the prior five (5) years.
3. Verification from primary sources of:
  - a. Licensure or certification.
  - b. Board Certification, or highest level of credentials attained if applicable, or completion of any required internships/residency programs, or other postgraduate training.
  - c. Documentation of graduation from an accredited school.
  - d. National Practitioner Databank (NPDB)/ Healthcare Integrity and Protection Databank (HIPDB) query or, in lieu of the NPDB/HIPDB query, all of the following must be verified:
    - i. Minimum five year history of professional liability claims resulting in judgment or settlement;
    - ii. Disciplinary status with regulatory board or agency; and
    - iii. Medicare/Medicaid sanctions.
  - e. If the individual practitioner undergoing credentialing is a physician, the physician profile information obtained from the American Medical Association may be used to satisfy the primary source requirements of (a), (b), and (c) above.

C. Temporary/Provisional Credentialing of Individual Practitioners

Temporary or provisional credentialing of individual practitioners is intended to increase the available network of providers in underserved areas, whether rural or urban. HealthWest must have policies and procedures to address granting of temporary or provisional credentials when it is in the best interest of Medicaid Beneficiaries that providers be available to provide care prior to formal completion of the entire credentialing process. Temporary or provisional credentialing shall not exceed one hundred and fifty (150) days. Designated HealthWest staff shall have up to thirty-one (31) days from receipt of a complete application, accompanied by the minimum documents identified below, within which to render a decision regarding temporary or provisional credentialing.

For consideration of temporary or provisional credentialing, at a minimum, a provider must complete a signed application that must include the following items:

1. Lack of present illegal drug use.
2. History of loss of license, registration, or certification and/or felony convictions.
3. History of loss or limitation of privileges or disciplinary action.

4. A summary of the provider's work history for the prior five (5) years.
5. Attestation by the applicant of the correctness and completeness of the application.

Designated HealthWest staff must conduct primary source verification of the following:

1. Licensure or certification;
2. Board certification, if applicable, or the highest level of credential attained; and
3. Medicare/Medicaid sanctions.

Designated HealthWest staff must review the information obtained and determine whether to grant provisional credentials. Following approval of provisional credentials, the process of verification as outlined in this Section, should be completed.

#### D. Re-credentialing Individual Practitioners

At a minimum, the re-credentialing policies for physicians and other licensed, registered or certified health care providers must identify procedures that address the re-credentialing process and include requirements for each of the following:

1. Re-credentialing at least every two (2) years.
2. An update of information obtained during the initial credentialing;
3. A process for ongoing monitoring, and intervention if appropriate, of provider sanctions, complaints, and quality issues pertaining to the provider, which must include, at a minimum, review of:
  - a. Medicare/Medicaid sanctions.
  - b. State sanctions or limitations on licensure, registration or certification.
  - c. Member concerns which include grievances (complaints) and appeals.
  - d. Any HealthWest or PIHP Quality issues.

#### E. Credentialing Organizational Providers

1. HealthWest must validate, and re-validate at least every two (2) years that their organizational providers and their own directly employed direct service providers are licensed or certified as necessary to operate in the State, and have not been excluded from Medicaid or Medicare participation.

2. HealthWest must ensure that the contract between HealthWest and any organizational providers require the organizational provider to credential and re-credential their directly employed and subcontract direct service providers in accordance with HealthWest's credentialing/re-credentialing policies and procedures (which must conform to MDHHS's credentialing process).
3. HealthWest must validate the organization's license (current unrestricted, unconditional license to practice mental health and/or Substance Use Disorder services in the State of Michigan).
4. HealthWest must ensure an organization's certification (if applicable) to provide specialized services as required by the State of Michigan.
5. HealthWest must ensure the organization maintains current professional liability insurance (malpractice insurance) in the amount required by HealthWest (minimum \$1,000,000 per occurrence and \$3,000,000 aggregate).

F. Notification of Adverse Credentialing Decision

An individual practitioner or organizational provider that is denied credentialing or re-credentialing by HealthWest shall be informed of the reason(s) for the adverse credentialing decision in writing by the HealthWest Network Manager within ten (10) days.

G. Appeal of Adverse Credentialing Decision by HealthWest

An appeal process shall be available when credentialing or re-credentialing is denied, suspended, or terminated for any reason other than lack of need. The appeal process will be consistent with federal and state requirements.

1. The provider must make a written request for reconsideration within thirty (30) business days of receipt of the notification letter. The written request must include a detailed description of the issues in dispute, the basis for the provider's disagreement, all evidence and documentation supporting the provider's position, and the action the provider desires from HealthWest. The HealthWest Executive Director in consultation with the HealthWest Medical Director will review the written request and inform the provider of their decision in writing within thirty (30) days.
2. If the provider is not satisfied with the decision made, the provider can submit a written request within thirty (30) business days for a hearing with a Credentialing Appeals Board. The Executive Director will appoint the Credentialing Appeals Board which would include the practicing provider peers, medical management representatives and administrative personnel. The Credentialing Appeals Board would notify the provider in writing of its decision within fifteen (15) days of the hearing.
3. If the provider is not satisfied with the decision of the Credentialing Appeals Board, the provider can submit a written request for a hearing with the HealthWest Board of Directors within thirty (30) business days of the Credentialing Appeals Board decision. The hearing will be held at the next

earliest date of the Board of Directors' regularly scheduled meeting. A decision by the Board of Directors will be considered as a final decision.

4. If the provider fails to submit a complete and timely request for a reconsideration or a request for a hearing with the Credentialing Appeals Board or the HealthWest Board of Directors, the provider will be deemed to have accepted HealthWest's determination of the issues raised by the provider and to have waived all further internal or external processes regarding the issues.

#### F. Deemed Status

Individual practitioners or organizational providers may deliver healthcare services to more than one CMHSP. A CMHSP may recognize and accept credentialing activities conducted by any other CMHSP in lieu of completing their own credentialing activities. In those instances where a CMHSP chooses to accept the credentialing decision of another CMHSP, they must maintain copies of the credentialing CMHSP's decisions in their administrative records.

#### G. Reporting Requirements

HealthWest policy requires the reporting of improper known organizational provider or individual practitioner conduct that results in suspension or termination from HealthWest's provider network to the appropriate authorities such as: MDHHS Bureau of Health Professions, Health Investigative Division; MDHHS Office of Attorney General, Health Care Fraud Division/Program Investigations Section; and the individual or organization's Regulatory/Licensing Board. Criminal offenses should be reported to law enforcement. Such procedures shall be consistent with current Federal and State requirements, including those specified in the MDHHS Medicaid Specialty Supports and Services Contract and the Balanced Budget Act of 1996.

## VI. REFERENCES

MDHHS/PIHP FY 17 Master Contract Attachment, P7.1.1 Credentialing and Re-Credentialing Processes  
Lakeshore Regional Entity Policy 4.4  
42 CFR 438.214(b) (2)  
MDHHS/HealthWest FY 2017 Contract 6.4.2  
42 CFR 438.12  
42 CFR 438.214(c)

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