

HEALTHWEST

Policy and Procedure

No. 10-004

Prepared by:

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Approved by:

Subject: Credentialing and
Re-Credentialing of Contracted
Organizational Providers and
Provider Staff

DocuSigned by:

Rich Francisco

Rich Francisco, Executive Director

I. POLICY

It is the policy of HealthWest for all contracted Organizational Providers to be in compliance with all applicable Federal, State, and local laws and the Michigan Department of Health and Human Services rules and regulations for credentialing and re-credentialing.

II. PURPOSE

The purpose of this policy is to assure that all contracted and subcontracted Providers of HealthWest comply with all applicable, Federal, State, and local laws, and the Michigan Department of Community Health rules and regulations for credentialing and re-credentialing.

III. APPLICATION

All contracted and subcontracted Organizational Providers of HealthWest.

IV. DEFINITIONS

- A. Credentialing – process by which HealthWest assures that Providers meet and maintain required criteria in order to be accepted as a Network Provider. This process is currently being done by the Lakeshore Regional Entity.
- B. Re-credentialing – process by which HealthWest assures that Providers meet and maintain required criteria in order to continue as a Network Provider. This process is currently being done by the Lakeshore Regional Entity.

IV. PROCEDURE

- A. HealthWest will assure the credentialing and recredentialing process of all members of its Provider Network include completion of the Certification of Debarment or the initial and subsequent monthly sanction checks., as well as requirements for compliance with other Federal and State licensing requirements for certification, licensure, or registration. Verification of licenses and certifications for the Provider Network will be done using the State of Michigan's Department of Health and Human Services website, as well as through the U.S. Department of Health and Human Service's Medicare and Medicaid Sanctions and Reinstatement Report and the U.S. Department of Health and Human Service's National

Practitioner Databank (NPDB). All contracted and subcontracted Providers of HealthWest will credential their staff and anyone whom they contract with providers according to the requirements of the HealthWest Credentialing and Re-Credentialing Requirements Policy, No. 02-026.

B. Requirements and Monitoring:

Monitoring of compliance is identified in the chart (Figure 1) below. Written communication regarding a decision will be given to the provider no later than 90 days after the receipt of the organizational provider's credentialing application.

Credentialing Organizational Providers

1. PIHP 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. PIHP 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. PIHP 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). If licensed outside of the State of Michigan they must meet all licensing and certification requirements within their state.
4. PIHP must ensure an organization's certification (if applicable) to provide specialized services as required by the State of Michigan.
5. PIHP 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).
6. Organizational Providers may deliver healthcare services to more than one agency. HealthWest may recognize and accept credentialing activities conducted by another agency in lieu of completing their own credentialing activities. In those instances, they must maintain copies of the credentialing entity's decision in the administrative records.
7. Organizational Providers shall be notified, in writing, of all credentialing decisions, including credentialing status, effective date, and recredentialing due date. An organizational provider that is denied credentialing or recredentialing shall be informed of the reasons for the adverse credentialing decision in writing and shall have an appeal process that is available when credentialing or recredentialing is denied, suspended, or terminated for any reason other than lack of need. If the reason for denial, suspension, or termination is egregious (serious threat to health safety of consumers or staff, represents a substantiated criminal activity, etc.) action shall be taken immediately. In the event of immediate suspension or termination the LRE and HealthWest shall address coordination of care so

as to prevent disruption of services.

Figure 1

Provider	Requirements	Provider Evidence	Review Schedule	Monitoring Method
Accredited Providers (e.g., TJC, CARF, or COA)	<ul style="list-style-type: none"> • Full compliance with State of Michigan Department of Community Health and Human Services licensing, certification, or registration requirements. • Full compliance with Department of Justice registration requirements (if applicable). • Non-exclusion to participate in Medicaid and Medicare programs under Section 1128 of the Social Security Act. • Performance Indicators obtained through the following: QAPIP Programs; utilization management system; the grievance system and consumer satisfaction surveys. • Any additional requirements defined in HealthWest policy or contract. 	<ul style="list-style-type: none"> • Full Accreditation Report. • Full Licensure Report. • Self or External Record Audit Reports. • Plans of Correction or Performance Improvement. • Copy of signed Certificate of Debarment indicating that the provider is not excluded. • Copy of current list of exclusions from the Department of Health and Human Service’s Medicare and Medicaid Sanctions and Reimbursement Report. 	<ul style="list-style-type: none"> • Application and re-application. • Unscheduled. • Adverse incident. 	<ul style="list-style-type: none"> • HealthWest staff review of evidence. • May include on-site record audit.
Non-Accredited Providers	<ul style="list-style-type: none"> • Same as above. 	<ul style="list-style-type: none"> • Full Licensure Report. • HealthWest Record and Compliance Review. • Self/External record audits using HealthWest tool. • Staff training documents. 	<ul style="list-style-type: none"> • Same as above with probable site review. • Lakeshore Regional Entity will randomly review a sampling of Provider files throughout the year. 	<ul style="list-style-type: none"> • HealthWest staff on-site record and evidence review.

Credentialing Organizational Provider Staff

1. HealthWest delegates to its Providers the responsibility for compliance and monitoring of their employees and/or subcontracted providers including Licensed Independent Practitioners and may request use of HealthWest methods/tools. This requirement is defined within the Organizational Provider’s contract.
 2. Please reference the procedural portion of HealthWest policy and procedure #02-026 for specific credentialing requirements and also ensure that the [MDHHS Credentialing and Re-credentialing Process](#) is followed.
 3. Please reference HealthWest Policy 02-030 for required Sanction Checks and Background Check Requirements that also pertain to credentialing requirements.
 4. The HealthWest Provider Network staff will conduct routine quarterly reviews of a sample of provider staff credentialing files to ensure contractual requirements are fully and consistently met regarding provider qualifications, credentialing and training.
- C. Consequences for failure to comply with the Policy are based in the HealthWest Boilerplate Contract Standards and Language. The consequences for contract compliance or employment will vary depending upon the classification of the credentialed employee and/or his or her presence on the Medicaid/Medicare Exclusionary List.
1. HealthWest Provider Network Manager/designee will notify Provider of

non-compliance plan of correction requirements and timeframes.

2. HealthWest Provider Network Manager/designee will monitor completion until full compliance is achieved.
3. HealthWest may withhold payment or terminate contract.
4. HealthWest may terminate employment.

V. REFERENCES

- A. Michigan Department of Health and Human Services/HealthWest Contract
- B. Lakeshore Regional Entity/HealthWest Contract
- C. Section 1128 of the Social Security Act, "Exclusion of Certain Individuals and Entities from Participation in Medicare and State Health Programs"
- D. United States Department of Justice, Controlled Substance Registration Department
- E. CARF: Behavioral Health Standards Manual
- F. HealthWest Policy #02-026, Credentialing and Re-Credentialing Requirements
- G. [MDHHS Credentialing and Re-Credentialing Processes dated March 2023](#)
- H. County of Muskegon Human Resource policies
- I. 42 CFR 438.214(b) (2)

AB/hb