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By Niels Andersen, President & CEO, KAMedData.com, Inc
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Credentialing is really nothing new to physicians. For decades, state and county boards of medicine, medical societies, and even the AMA have all kept detailed data on physicians. But since the 1970s, credentialing has changed from a relatively easy process in which physicians were presumed innocent until proven guilty to one in which the name of the game is extreme scrutiny, examining all aspects of physicians' professional and sometimes personal lives.

As hospitals and managed care organizations feel the pressure from regulatory agencies healthcare buyers, collecting and selling information is becoming a big growth industry for the 1990s. Physicians have been faced with a less than desirable process resulting from significant practitioner credentialing activities which have been caused by various healthcare reforms and changes in the healthcare delivery and reimbursement system. The process has proven costly and cumbersome for the practitioner as well as the entity granting provider privileges. As a result, some states have proposed, and some are presently enacting, legislation to mandate the establishment of a standardized credentials verification program for healthcare practitioners. By enacting such statutes, legislators hope to alleviate the problem of duplication whereby practitioners' core credentials data are collected, validated, maintained and stored in accordance with a standardized system so that such efforts are not unnecessarily repeated. The State of Florida passed such legislation, which is to be effective July 1, 1999. The Department of Health will bear the significant burden of maintaining the core credentials data.

The legislation also forbids any health care entity from collecting or attempting to collect duplicate core credentials data from any health care practitioner or primary source if the information is already on file with the department or with any accredited credentials verification entity (CVE). The Department of Health and CVEs must then make available to a health care entity, for a fee, all core credentials data it collects upon proof of the practitioner's current pending application for purposes of credentialing the applicant. The health care practitioner must designate which CVE he or she wants to use and then submit his or her core credentials to that CVE.

The practitioner is also responsible for providing any corrections or updates within 30 days of a change. Any CVE is likewise prohibited from collecting duplicate data from a practitioner if the data is already on file with another CVE. An Advisory Council is still studying the process and the true implementation date for Florida is still pending. While the intent of such legislation is to eliminate the burden on physicians to provide credentials to multiple healthcare entities, issues such as added cost for the CVEs or the State's services, added computer technology, and turnaround time for the credentialing data is key. Most health care facilities already have processes in place for delegated credentialing that meet NCQA guidelines, even though they may not be accredited Credentialing Verification Entities. Organizations in states with these "Standardized Credentialing" laws will now face becoming a CVE or paying a fee to have the service provided.

The successful implementation of this program will relieve physicians of the burden of having to reproduce the same information, with updates, each time they change or expand their patient base. However, the timeliness of receiving practicing privileges with specific hospitals and managed care organizations will continue to depend on the individual entity's internal process and their desire to bring the physician into that provider network. Also, competing organizations that seek to limit the number and type of providers in a particular segment of their market may strongly oppose this shift in control. It was predicted some years ago that all credentials data would be located in a central file and when a practitioner changed facilities, his or her credentials would be transferred electronically. The changes are evolutionary, and, to a great extent, inevitable.

Some questions that come to mind are:

- How many states will enact this legislation, and will there be reciprocity?
- What impact and/or relationship will there be with state licensing boards?
- Will there be duplication in this regard?
- How well will two different governmental agencies communicate and cooperate?
- How will IPAs and insurance companies be insulated from lawsuits which center around the credentials of their providers, particularly if they did not themselves verify the data?

If your state has established a centralized depository for credentials, we'd like to hear how it's progressing and what, if any, problems you have experienced.