

Credentialing and Privileging Guide for Free Clinics

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Section 1. Credentialing and Privileging: The Basics

What Is Credentialing?



Credentialing means assessing and confirming the qualifications of healthcare professionals, such as physicians, nurse practitioners, licensed registered nurses, and certified practitioners (see [Who Needs to be Credentialed and Privileged?](#) below).

Credentialing determines whether professionals are who they say they are and verifies

their professional licenses, certifications, and qualifications.

What Is Privileging?



Privileging is the second step in the credentialing and privileging process. Once the free clinic has verified the professional's licensure, education, and training, the free clinic will authorize the professional to provide specific services to its patients. Privileging involves an evaluation of the professional's skills, competencies, and performance (such as by reviewing peer review and performance improvement

data) as well as the needs of the free clinic (e.g., patient population, scope of services provided).

Did You Know?

Information on FTCA program requirements for free clinics, including credentialing and privileging requirements, is in [Policy Information Notice \(PIN\) 2011-02](#).

Remember:

Credentialing and privileging are two separate and distinct processes. Credentialing happens before privileging.

Why Are Credentialing and Privileging Important?

Credentialing and privileging are important for several reasons:

- **Quality care:** Ensures that professionals have the education, knowledge, and competence to provide quality patient care.
- **Patient safety:** Filters out potentially troublesome professionals before they begin practicing in a free clinic.
- **Risk management:** Reduces the risk of lawsuits for failure to credential or negligent credentialing by authenticating and validating professional qualifications to provide safe patient care.
- **Compliance:** Helps ensure compliance with FTCA program requirements.

Who Needs to Be Credentialed and Privileged?



Any individual (including volunteers, employees, contractors, board members, and officers) who is licensed or certified as applicable under state law needs to be credentialed and privileged. This includes, but is not limited to, physicians, nurse practitioners, dentists, nurse midwives, registered nurses, licensed practical nurses, laboratory technicians, social workers, medical assistants, and dental hygienists, if these individuals

are required to be licensed or certified under state law. For more information, see [Section III. Covered Individuals, in PIN 2011-02](#).

Don't forget to query the National Practitioner Data Bank (NPDB), which is an electronic database that includes information on medical malpractice payments and certain adverse actions against healthcare professionals. NPDB may not contain complete adverse information on a particular professional, and free clinics should use NPDB query results together with information from other sources. If a free clinic is ineligible to query the NPDB, it should ask the professional to provide the results of a self-query. Tip: Free clinics can use the NPDB continuous-query option to receive e-mail notifications within 24 hours of a report received by NPDB.

For Credentialing, What Sources of Information Should Be Checked and Verified?

For credentialing, check these sources using primary or secondary source verification (see [What Are Primary and Secondary Source Verification?](#) below):

- ✓ Current licensure
- ✓ Relevant education, training, or experience
- ✓ Identification (government-issued picture ID)
- ✓ Hospital admitting privileges, if applicable
- ✓ Drug Enforcement Administration registration, if applicable
- ✓ Basic and/or advanced cardiac life support training, if applicable
- ✓ Immunization and tuberculin skin test results
- ✓ Health fitness or ability to perform the requested privileges (this can be a statement from the professional that is confirmed and signed by the director of a training program, chief of staff of the healthcare organization where the professional has privileges, or a licensed physician designated by the organization)

What Are Primary and Secondary Source Verification?

Primary source verification is verification of an individual healthcare practitioner's reported qualification by the original source or an approved agent. This verification could include direct correspondence, telephone, fax, email, or paper reports received from original sources (for example, telephone confirmation from an educational institution that the individual graduated with the degree[s] listed on his or her application).

Reports from credentials verification organizations also count as primary source verification, as does verification from databases such as the American Medical Association Masterfile (see [PIN 2011-02](#) for a complete list).

Secondary source verification is verification by methods other than from a primary source. Examples include viewing the original credential or using a notarized copy of the credential or a copy of the credential (when the copy was made from an original by an authorized participant of the free clinic's credentialing process).

How Do I Know Whether to Use Primary or Secondary Source Verification?

First, determine whether the professional is a licensed independent practitioner (LIP) or other licensed or certified healthcare practitioner (OLCHP). Free clinics will need to check their state's scope of practice laws and their organization's policies to determine whether the individual is a LIP or OLCHP.

- ▶ **LIP:** Any individual permitted by law and the organization to provide care and services without supervision (e.g., physician, dentist, nurse practitioner, nurse midwife).
- ▶ **OLCHP:** An individual who is licensed, registered, or certified but not permitted by law to provide patient care services without direction or supervision (e.g., registered nurses, licensed practical nurses, laboratory technicians, social workers, medical assistants, dental hygienists).

Once you determine whether a professional is an LIP or OLCHP, go to [Appendix A, Credentialing Table, in PIN 2011-02](#), to determine when to use primary and secondary source verification for the particular professional.



Remember

Both LIPs and OLCHPs must be credentialed. The difference lies in whether you can use primary or secondary source verification for specific credentials.

For Privileging, What Sources of Information Should Be Checked and Verified?

➤ For privileging LIPs, free clinics can verify competence to perform a particular procedure or provide a particular treatment by checking satisfactory completion of a course of study from a recognized and certifying educational institution, or by direct observation of the professional's competence by a supervising clinician who has privileges in that specific area, or by direct proctoring of the professional by a qualified clinician.

➤ For privileging OLCHPs, the free clinic can verify competency through an orientation process during which a supervisor evaluates the professional's clinical qualifications and performance based on his or her job description.

I've Verified All Information as Part of Credentialing and Privileging. Now What?



The credentialing committee or the individual in the free clinic who is responsible for credentialing and privileging should use the information gathered to make a recommendation regarding whether or not to approve the professional's clinical privileges. This recommendation should be forwarded to the medical director or joint committee of medical director, chief executive officer, and medical staff, who will also make a recommendation and

present to the board. Privileges for LIPs should be approved by the board or by an individual to whom this responsibility has been delegated by the board; however, the executive director or his/her designee may approve for OLCHPs.

REMEMBER

Free clinics currently participating in the Free Clinics FTCA Program can activate their FREE access to the ECRI Institute Clinical Risk Management Program by contacting us at Clinical_RM_Program@ecri.org.

How Often Should the Free Clinic Renew Credentials and Privileges?

At least every two years, free clinics must review each professional's credentials (e.g., licensure, registration, certification, training, NPDB check), peer review results, and performance improvement data to determine whether to renew his or her credentials and privileges. See [Appendix A, Credentialing Table, in PIN 2011-02](#) to determine which information should be reviewed and whether to use primary or secondary source verification. The free clinic should determine how often they will renew privileges (at least every two years); however, it is important to note that free clinics should have processes in place for collecting performance data (such as through chart review, direct observation, peer review) on an ongoing basis,

Whenever a professional adds a new procedure or surgery to his or her scope of privileges, the professional must be privileged to ensure that he or she has the skills, expertise, and competence to perform that procedure. In addition, it is best practice that the new procedure or surgery is approved by risk management before the professional can perform the procedure.

Can I Issue Temporary Privileges?

Temporary privileges may be granted in certain cases:

- To fulfill an important patient care need if a professional is ill or has taken a leave of absence
- When an application is complete and the only outstanding step is the approval from the governing board

However, it is important to remember that temporary privileges are *temporary*; they should not be used to bypass the standard privileging process. Temporary privileges should be determined on a case-by-case basis and granted as follows:

- For a limited period of time as determined by the free clinic to fulfill an important patient care need; or
- For a period not to exceed 60 days when an application is complete and only awaiting approval from the governing board.

Do *not* use temporary privileges if the professional has not provided all of the information necessary to process his or her appointment/reappointment or if staff fails to verify performance data and information in a timely manner.

How Should I Keep Credentialing and Privileging Information Organized?

The free clinic should keep a credentialing file for each professional including all documents related to credentialing and privileging. As a best practice, the free clinic may want to designate an individual who is responsible for reviewing each file once every year to identify any items that might be missing or expired. This individual should act promptly to collect or recover any required information.

Where Can I Find More Information on Credentialing and Privileging?

Free clinics should refer to [PIN 2011-02](#) for credentialing and privileging requirements for the Free Clinics Federal Tort Claims Act (FTCA) Program.

Additional information on credentialing and privileging is available to existing FTCA program free clinics on the [ECRI Institute Clinical Risk Management Program website](#). Free clinics are eligible to receive free access to the website, provided on behalf of HRSA, after their initial FTCA program application is approved.

Resources

Throughout this document, relevant resources have been linked within the text. See below for full hyperlinks for some of these resources.

ECRI Institute. Credentialing application packet for free clinics:

<https://www.ecri.org/EmailResources/PSRQ/ClinRiskMgmt/HRPol11%20free%20clinic%20version.pdf>

HRSA. Free clinics Federal Tort Claims Act (FTCA) program policy guide. Policy Information Notice (PIN) 2011-02:

<http://bphc.hrsa.gov/ftca/freeclinics/pdf/pin1102.pdf>

HRSA. National Practitioner Data Bank:

<http://www.npdb.hrsa.gov>

Section 2. Initial Credentialing Process

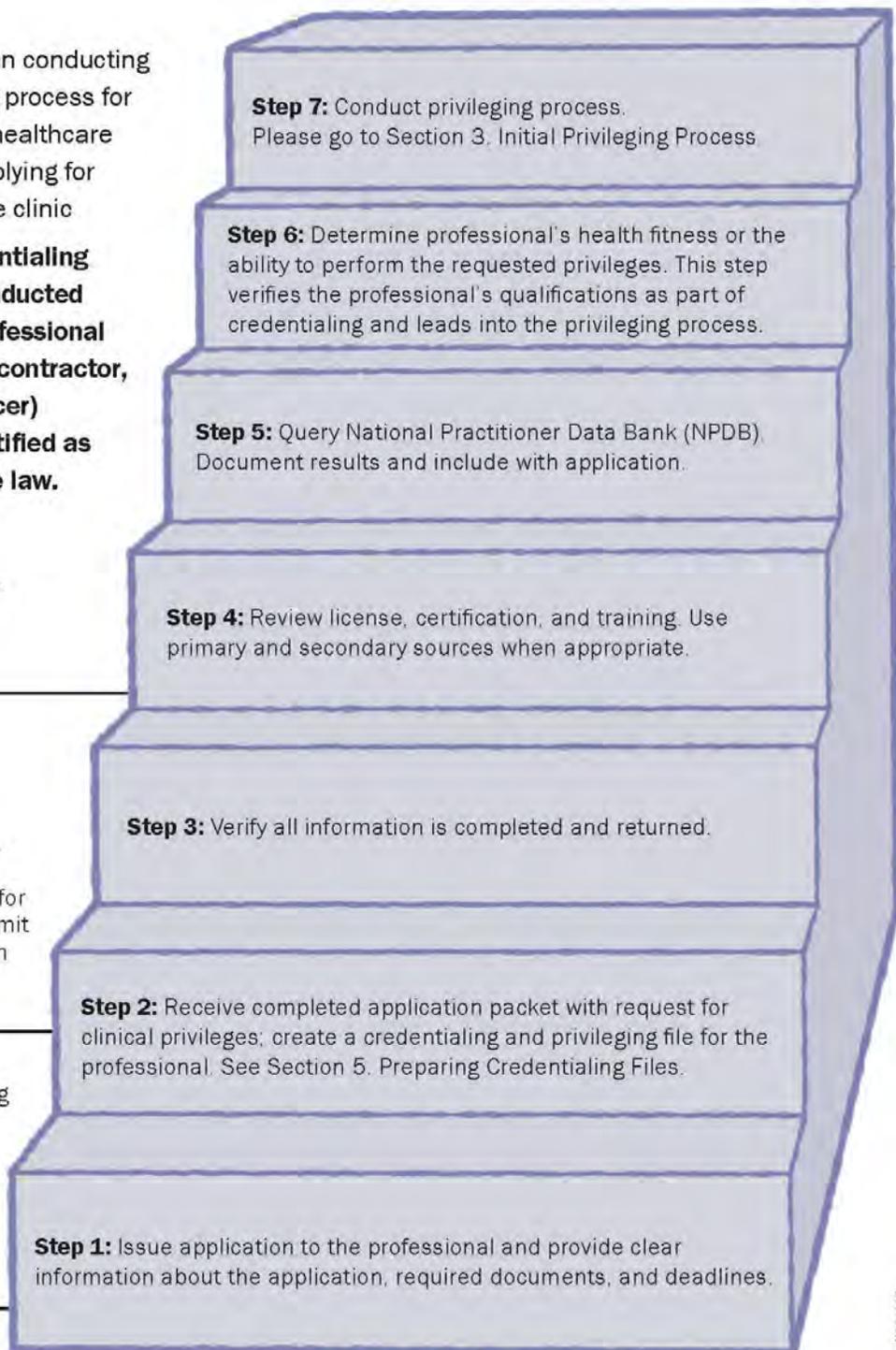
Follow these steps when conducting the initial credentialing process for a licensed or certified healthcare professional who is applying for appointment in the free clinic

Remember, this credentialing process should be conducted for any healthcare professional (volunteer, employee, contractor, board member, or officer) who is licensed or certified as applicable under state law.

Tip: See Section 1 of this guide for examples of primary and secondary source verification.

Tip: If any information is missing from the application, notify the professional immediately. As a best practice, set a timeframe (e.g. 60 days) for the professional to resubmit the requested information before the application is marked as incomplete.

Tip: See the Credentialing and Privileging Timeline in the Appendix of this guide for a complete list of information that should be provided to the free clinic by the professional.

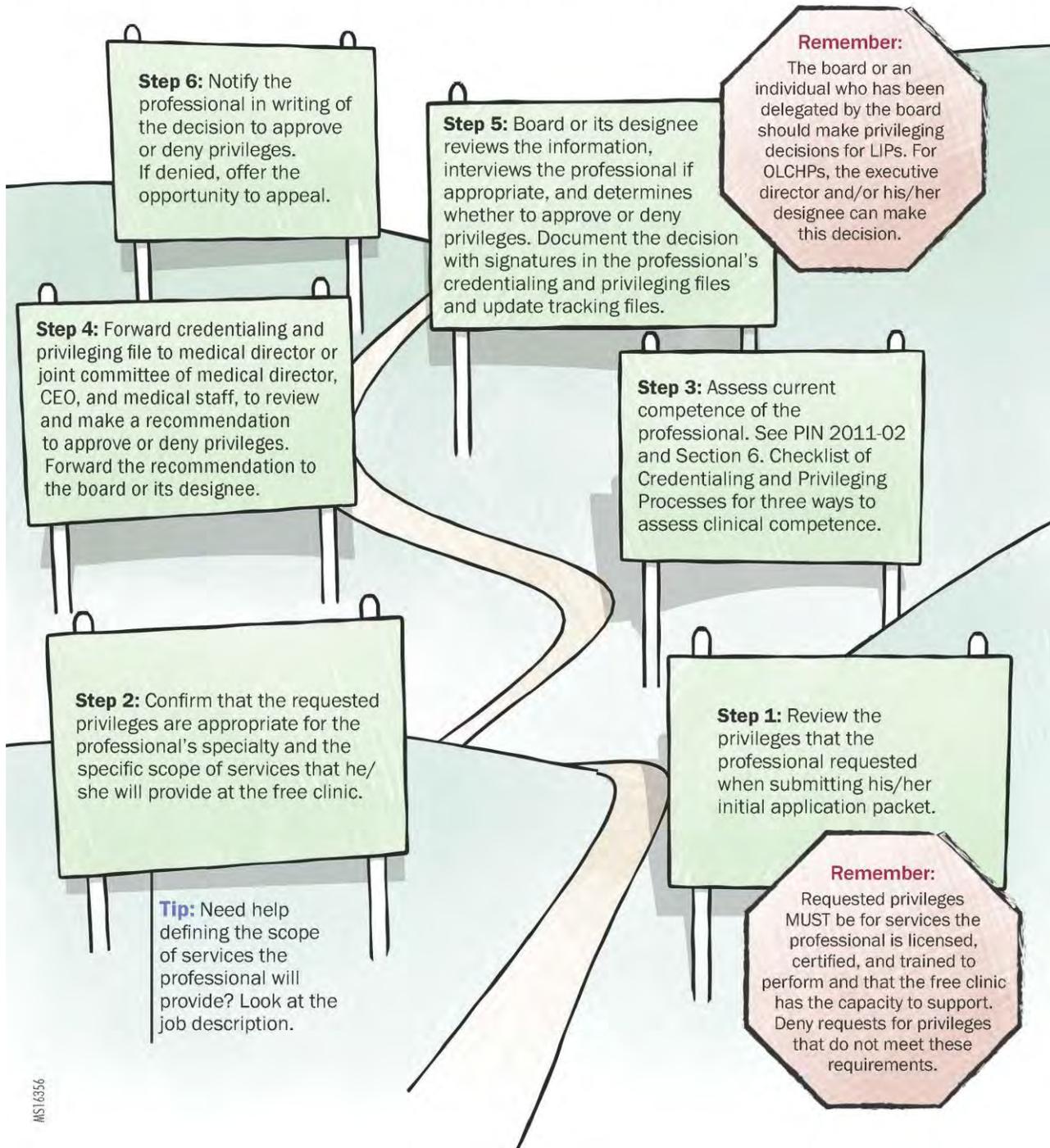


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Section 3. Initial Privileging Process

After conducting the original credentialing process according to the steps in Section 2. Initial Credentialing Process, follow this series of steps for initial privileging of the licensed or certified healthcare professional.

Remember, this privileging process should be conducted for any healthcare professional (volunteer, employee, contractor, board member, or officer) who is licensed or certified as applicable under state law.



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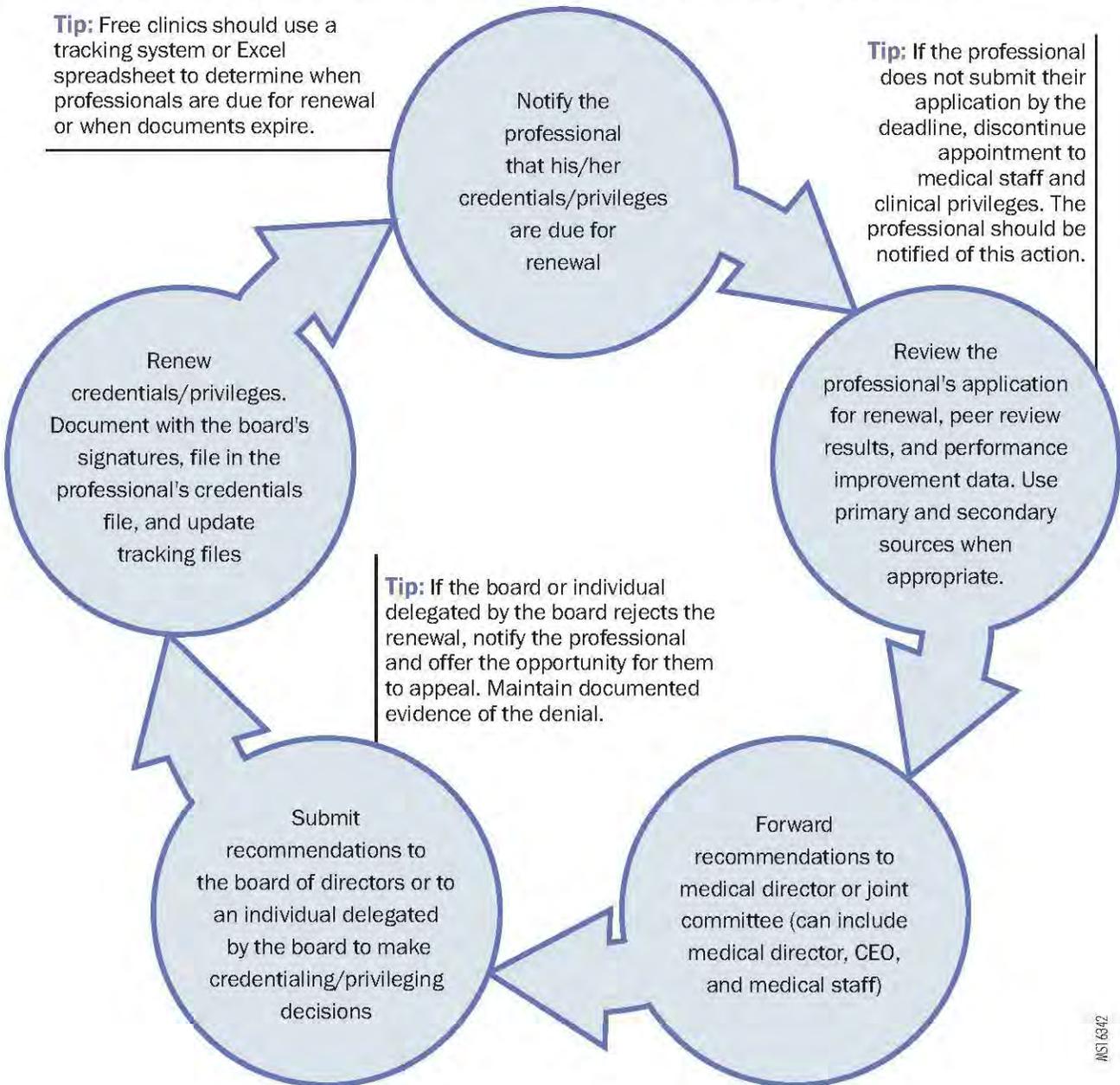
Section 4. Renewal of Credentials and Privileges

Follow these steps when renewing the credentials and privileges of healthcare professionals who work in your free clinic. Free clinics should include in their policies when professionals are due for renewal of credentials and privileges (at least every two years).

Remember: Free clinics should have processes in place for collecting performance data (e.g., chart review, direct observation, peer review) on an ongoing basis, not just every two years, and should make sure they are verifying documents that expire prior to the two year renewal period.

Tip: Free clinics should use a tracking system or Excel spreadsheet to determine when professionals are due for renewal or when documents expire.

Tip: If the professional does not submit their application by the deadline, discontinue appointment to medical staff and clinical privileges. The professional should be notified of this action.



Tip: If the board or individual delegated by the board rejects the renewal, notify the professional and offer the opportunity for them to appeal. Maintain documented evidence of the denial.

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Section 5. Preparing Credentialing Files

The free clinic should keep a credentialing file for each professional and include all documents related to credentialing and privileging in that file. Each file should be completed and organized. As a best practice, the free clinic may want to designate an individual who is responsible for reviewing each file once every year to identify any items that might be missing or expired.

Free clinics can use the following guide to ensure that files are organized.

Credentialing and Privileging Files

- File contents should be available in an organized manner
 - **Section I.** Application (signed and date-stamped) (see [Credentialing Application Packet for Free Clinics](#) for a sample)
 - **Section II.** Clinical privileges
 - **Section III.** Education and certification
 - Certificates/diplomas from all educational degrees and post-graduate training
 - Continuing medical education (CME) credits
 - Educational Commission for Foreign Medical Graduates (ECFMG) (if applicable)
 - Board certification or board eligibility verification
 - Specialty verification
 - **Section IV.** Licenses
 - State licenses
 - Life support training (BLS, ACLS, ATLS, PALS, APLS)
 - Drug Enforcement Administration (DEA) license
 - **Section V.** Professional experience/profile
 - NPDB/HIPDB reports
 - AMA or AOA profile
 - OIG query
 - Federation of State Medical Board of Trustees (FSMB) query
 - **Section VI.** Miscellaneous information and correspondence
 - Peer reference letters
 - Health fitness attestation statement
 - Professional liability insurance
- Ensure information is updated as appropriate and consistently with the free clinic's policies (at least every two years). For example, if practitioners are recredentialed every two years, documentation in the file should indicate that the process took place every two years
- Include proof that licenses and certifications were renewed before they expired
- Include proof of the board's decision related to credentialing and privileging (i.e., written document signed by the board or by an individual delegated by the board)

Section 6. Checklist of Credentialing and Privileging Processes

Previous sections of this guide have covered the basics of credentialing and privileging; the steps of the initial credentialing, initial privileging, and renewal of credentials and privileges processes; and guidance for preparing credentialing and privileging files. The following checklist serves as a summary of the information contained in [PIN 2011-02](#) and in the above mentioned sections for the steps of the credentialing and privileging process. The tools and checklists here incorporate suggested practices and provide free clinics with a way to track their progress and organize materials for individuals credentialed and privileged at their facility.

Pre-Credentialing Preparation

- Review [PIN 2011-02](#) for information on FTCA program requirements for free clinics, including credentialing and privileging requirements.
- Develop and implement policies and procedures on credentialing and privileging, including:
 - Who needs to be credentialed and privileged (i.e., any professional who is required to be licensed or certified under state law)
 - Processes for credentialing and privileging, depending on whether the professional is a licensed independent practitioner (LIP) or other licensed or certified healthcare practitioner
 - Processes for renewal of credentials and privileges, including how often credentials and privileges will be renewed (at least every two years)
 - Policies on granting temporary privileges
- Ensure that credentialing and privileging policies and procedures are approved and signed by the board.

Initial Credentialing

- Give application to the professional and provide clear information about the application, required documents, and deadlines.
- Receive completed application from the professional and create a credentialing and privileging file for the professional. See [Section 5. Preparing Credentialing Files](#).
- Develop a checklist of any remaining documents needed from the professional. Consider using a paper or computer tracking system to confirm that all documents are received (see [Appendix. Sample Tool: Credentialing and Privileging Timeline](#)).
- Start the credentialing process promptly with a keen awareness of due dates and timelines.
- Review license, certification, and training. Use primary and secondary sources as required (see [Appendix A. Credentialing Table, in PIN 2011-02](#)).
- Query [National Practitioner Data Bank \(NPDB\)](#). Document the results and include with the application.

Determine professional's health fitness or the ability to perform the requested privileges. This step verifies the professional's qualifications as part of credentialing and leads into privileging.

Initial Privileging

Review the privileges that the professional requested when submitting his/her initial application packet. Confirm that the requested privileges are appropriate for the professional's specialty, job description, and the specific scope of services that he/she will provide at the free clinic.

Facilities may choose to conduct credentialing interviews with professionals applying for privileges to further clarify information.

Assess current competence of the professional. This can be done by any combination of:

1. Primary source verification from a recognized and certified educational institution of the LIP's successful completion of a level of training required to perform a defined procedure or management protocol.
2. Documentation of direct observation of the LIP's competence in a particular procedure or management protocol by a supervising professional with privileges in that particular procedure or protocol.
3. Direct proctoring of the LIP in a particular procedure or management protocol by a qualified professional who has a level of expertise in that procedure or protocol beyond newly practicing professionals.

Forward credentialing and privileging files to the medical director or the joint committee of the medical director, CEO, and medical staff so these parties can review the files, make recommendations to approve or deny privileges, and forward their recommendations to the board or the board's designee. Ensure that the board, or the individual who has been delegated by the board, reviews the information, and determines whether to approve or deny privileges. To address any questions or issues that may impact the approval or denial of privileges at this phase, it may be preferable to conduct an interview (or an additional interview if one has previously occurred) with the individual applying for privileges.

Notify the professional in writing of the decision to approve or deny privileges. If privileges are denied for a LIP, offer the professional the opportunity to appeal (an appeal process is optional for other licensed or certified healthcare practitioners).

Document the decision with the board's or its designee's signatures for LIPs (or with the executive director's or his/her designee's signature for other licensed or certified healthcare practitioners), file in the professional's credentialing and privileging file, and update tracking files.

Renewal of Credentials and Privileges

Ensure that all professional licenses and credentials remain current. It may be preferable to keep a spreadsheet of DEA, licensure, or other expirations for each of the credentialed professionals. Any updates or new credentials should also be incorporated in the file during the renewal of privileges.

On an ongoing basis (at least every two years), review and evaluate the care provided by each credentialed practitioner (e.g., peer review results, performance improvement data) to ensure that competence is maintained and is consistent with clinical privileges. Use primary and secondary sources as required for current

licensure, relevant education training, experience, identification, DEA registration, health status, or other training as applicable (see [Appendix A. Credentialing Table, in PIN 2011-02](#)).

- Forward credentialing and privileging files to the medical director or the joint committee of the medical director, CEO, and medical staff so these parties can review the files, make recommendations to approve or deny privileges, and forward their recommendations to the board or the board's designee. Ensure that the board, or the individual who has been delegated by the board, reviews the information, and determines whether to renew credentials and privileges. As an optional step, an interview may be conducted with the professional prior to any decision-making.
- Document the decision with the board's or its designee's signatures for LIPs (or with the executive director's or his/her designee's signature for other licensed or certified healthcare practitioners), file in the professional's credentialing and privileging file, and update tracking files.

Ongoing Activities

- Maintain complete and organized documentation and records. As a best practice, designate an individual who is responsible for reviewing each file once every year to identify any items that might be missing or expired.
- Protect the confidentiality of credentialing and privileging information and take steps to prevent unauthorized disclosure of information. Use physical safeguards (e.g., locks for filing cabinets) for paper files and electronic safeguards (e.g., password protection) for electronic files.
- Periodically review credentialing and privileging policies to ensure that they reflect current laws, regulations, and standards.

Appendix. Sample Tool: Credentialing and Privileging Timeline

Credentialing and Privileging Timeline		Applicant Name _____				Applicant # _____			
	Document(s)	Date Sent	Date Returned	Reviewed by	Missing Information	1 st Date Follow-up	2 nd Date Follow-up	Outcome	Completed Task sign-off
Step 1	Send to Applicant								
1.	Welcome Letter								
2.	Application								
3.	Affiliation Certification								
4.	Reference								
5.	Delineation of Privileges								
6.	Professional Liability Claims History Form								
7.	Continuing Medical Education (CME) Form								
8.	Attestation Statement								
9.	Health Center Credentialing and Privileging Policies								

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	Document(s)	Date Sent	Date Returned	Reviewed by	Missing Information	1 st Date Follow-up	2 nd Date Follow-up	Outcome	Completed Task sign-off
Step 2	Received from Applicant								
	Complete application returned								
	Documents:								
	• Application/release of information form (signed)								
	• Curriculum vitae (CV)								
	Diplomas:								
	• Undergraduate								
	• Post-Graduate								
	• Medical School								
	• Residency								
	• Fellowship								
	Certificates:								
	• Board Certification—specialty _____								
	• Board Eligible—schedule date of certification _____								
	• Other Certificate(s): (i.e., BLS, ACLS, ATLS, PALS, APLS)								

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	Document(s)	Date Sent	Date Returned	Reviewed by	Missing Information	1 st Date Follow-up	2 nd Date Follow-up	Outcome	Completed Task sign-off
	<ul style="list-style-type: none"> Educational Commission for Foreign Medical Graduates (ECFMG) 								
	Licenses:								
	<ul style="list-style-type: none"> Medical License #1 -State of ____ 								
	<ul style="list-style-type: none"> Medical License #2-State of ____ 								
	<ul style="list-style-type: none"> Medical License #3-State of ____ 								
	<ul style="list-style-type: none"> Medical License #4-State of ____ 								
	<ul style="list-style-type: none"> DEA # _____ 								
	<ul style="list-style-type: none"> CDS# _____ 								
	Database Queries:								
	<ul style="list-style-type: none"> National Practitioner Data Bank 								
	<ul style="list-style-type: none"> Healthcare Integrity and Protection Data Bank (if applicable) 								
	<ul style="list-style-type: none"> OIG List of Excluded Individuals/Entities (if applicable) 								
	References:								
	<ul style="list-style-type: none"> Three (3) colleague references 								
	<ul style="list-style-type: none"> Peer reference 								

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	Document(s)	Date Sent	Date Returned	Reviewed by	Missing Information	1 st Date Follow-up	2 nd Date Follow-up	Outcome	Completed Task sign-off
	CME list- continuing medical education credits								
	W-9 Federal Tax form								
	Insurance Billing information:								
	<ul style="list-style-type: none"> National Provider Identification # (NPI) 								
	<ul style="list-style-type: none"> List of current health insurance participation 								
	<ul style="list-style-type: none"> Health insurance provider Id# 								
	Application Complete/Board/Review								