

## Policy 4.4

<b>POLICY TITLE:</b>	<b>CREDENTIALING AND RECREDENTIALING</b>	<b>POLICY # 4.4</b>		
<b>Topic Area:</b>	<b>PROVIDER NETWORK MANAGEMENT</b>	<b>ISSUED BY:</b> Chief Executive Officer  <b>APPROVED BY:</b> Board of Directors	<b>REVIEW DATES</b>	
<b>Applies to:</b>	Entity Operations/Staff, Member CMHSPs and the Provider Network		8/21/2017	12/16/21
<b>Developed and Maintained by:</b>	CEO and Designee		12/15/22	
<b>Supersedes:</b>	<b>N/A</b>			
		<b>Effective Date:</b> 1/1/2014	<b>Revised Date:</b> 12/15/22	

### I. PURPOSE

In accordance with statutory and funding requirements, the Entity is responsible to assure that providers (practitioners and organizations) within the region 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. (These services can either be by direct contract with the Entity or by the Entity affiliated CMHSPs/regional providers if employed by that entity.)

### II. POLICY

Lakeshore Regional Entity (Entity) seeks to ensure the competency and qualifications of the service delivery network in the provision of Medicaid specialty services and supports covered services and programs. To achieve that goal, it is the policy of the Entity that specific credentialing and recredentialing activities shall occur and be documented to ensure that staff, regional network providers, and their subcontractors are operating within assigned roles and scope of authority in service delivery or business functions. The Entity shall adopt procedures that assure credentialing and recredentialing practices require providers and sub-contractors obtain and maintain proper credentials for their job position and responsibilities as required by statute, policies, and/or job description qualifications.

The policy, and related procedures, applies to Community Mental Health Service Participants (CMHSPs) and their network of providers including substance use disorder (SUD) providers. The Entity delegates credentialing of CMHSP-affiliated Licensed Individual Practitioners to the CMHSPs and provides oversight of these credentialing activities at the annual site review of the CMHSP. The Entity credentials all organizational providers in the region, according to the requirements outlined by Michigan Department of Health and Human Services (MDHHS). The Entity also credentials Entity-affiliated Licensed Individual Practitioners when needed.

Licensed Individual Practitioners

All credentialing/recredentialing practices shall be conducted in accordance with the MDHHS Credentialing and Recredentialing Process and the Entity Organizational Procedure Credentialing and Recredentialing-Individual Practitioners, and at a minimum, require:

- Initial credentialing upon hire or contracting,
- Re-credentialing at least every two years, and
- A process for ongoing monitoring and primary source verification of expired licenses, certifications, and other credentials.

Credentialing and recredentialing processes shall not discriminate against: (a) a health care professional solely on the basis of license, registration, or certification; or (b) a health care professional who serves high-risk populations or who specializes in the treatment of conditions that require costly treatment.

Credentialing and recredentialing processes must ensure that network providers residing and providing services in bordering states meet all applicable licensing and certification requirements within their state.

#### Organizational Providers

For organizational providers included in its network, and in accordance with Organizational Procedure Credentialing and Recredentialing Organizational Providers, the Entity and CMHSPs must:

- Validate, and re-validate at least every two years, that the organizational provider is licensed or certified as necessary to operate in the State and has not been excluded from Medicaid or Medicare participation and is approved by an accredited body, or an on-site quality assessment is completed if the provider is not accredited. For solely community-based providers (e.g. ABA or CLS in private residences) an on-site review is not required, an alternative quality assessment is acceptable.
- Ensure that the contract with any organizational provider requires the organizational provider to credential and re-credential their directly employed and subcontract direct service providers in accordance with the Entity credentialing/re-credentialing policies and procedures (which must conform to MDHHS's credentialing process).

#### Monitoring and Oversight of Credentialing and Recredentialing Activities

The Entity is responsible to ensure all CMHSPs providing Medicaid Services shall have policies and procedures for credentialing and recredentialing that are updated as needed, to meet MDHHS credentialing guidelines, Entity policy, and any other pertinent regulatory requirements.

The Entity is responsible for the oversight of any delegated credentialing or recredentialing decisions within its service delivery network and shall review these practices in accordance with the Entity delegated functions monitoring and oversight policy, procedure, and protocols. Compliance shall be assessed based on the Entity policies and standards in effect at the time of the credentialing or recredentialing decision.

The Entity retains the right to approve the credentialing decisions of a CMHSP or require discontinuation of service by organization providers and/or licensed individual practitioners without the proper credentialing status. Improper or insufficient credentialing practices by CMHSP may be cause for contractual sanction(s) by the Entity, requiring a corrective action plan, and could be cause for contract suspension or termination. In accordance with the Medicaid Event Verification Policy and Procedure, the Entity may recoup funds for any fee-for-service provider for any claims/encounters that are found to be invalid as a result of improper credentialing. Any invalid claims/encounters will require correction either by resubmission or voiding.

Administration of credentialing/recredentialing activities and oversight is the responsibility of the Entity Credentialing Specialist, under the direction of the Entity Credentialing Committee. The Credentialing Committee charter details the membership and roles/responsibilities for credentialing activities.

#### Deemed Status

Organizational Providers or Licensed Individual Practitioners may deliver healthcare services to more than one agency. The Entity may recognize and accept credentialing activities conducted by any other agency in lieu of completing their own credentialing activities. In those instances where the Entity chooses to accept the credentialing decision of another agency, they must maintain copies of the credentialing PIHP's credentialing decisions in their administrative records.

#### Notification Requirements and Appeal of Adverse Credentialing Decision

Organizational Providers and Licensed Individual Practitioners shall be notified, in writing, of all credentialing decisions, including credentialing status, effective date, and recredentialing due date. An organizational provider or licensed individual practitioner 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. In instances of a conflict of interest, subcontracted providers responsible for credentialing and recredentialing LIPs may utilize the Entity provider appeal process to ensure a neutral and fair appeal process is available.

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 Entity, CMHSPs, shall address coordination of care so as to prevent disruption of services.

#### Record Retention

All credentialing and recredentialing documentation must be retained for each credentialed provider and include:

- Initial credentialing and all subsequent recredentialing applications;
- Information gained through primary source verification; and
- Any other pertinent information used in determining whether or not the provider met credentialing and recredentialing standards.
- Records shall be retained in accordance with the Entity Record Retention Policy.

### Reporting Requirements

Member CMHSPs are responsible to report suspected fraud, abuse, and licensing violations to the Entity as soon as it is suspected. If a matter is expected to lead to suspension or revocation, is known to be related to fraud, abuse, and/or a licensing violation, reporting shall be conducted in coordination with the Chief Operating Officer and Chief Compliance Officer and any regulatory/investigative agency involved. The Entity and the responsible CMHSP shall coordinate immediate verbal (phone) reporting to the Office of the Inspector General (OIG), Licensing and Regulatory Affairs (LARA) and the Division of Program Development, Consultation and Contracts, Behavioral Health and Developmental Disabilities Administration in MDHHS accordingly. Verbal notice shall be followed by written notice of the matter including any relevant supporting documentation. Information shall be submitted via e-mail in an encrypted format and by regular mail if requested. Once a matter has been turned over to the OIG further investigation should be suspended unless approval is granted by the OIG.

The Chief Compliance Officer shall maintain records of all credentialing activities reported to MDHHS or the OIG in accordance with the Entity compliance monitoring policies and procedures. Additionally, the Entity and its provider network shall maintain written procedures to address:

- Standards and responsible parties for credentialing functions;
- Initial credentialing and recredentialing (including primary source verification and evidence that minimum training requirements are met);
- Temporary and provisional credentialing;
- Suspension and revocation;
- Use of Quality Assessment and Performance Improvement Program information and findings as part of the recredentialing process;
- Background checks.
- Monitoring of credentialing/recredentialing practices including the practices of organizational providers.

### **III. APPLICABILITY AND RESPONSIBILITY**

This policy applies to Entity Staff, member CMSHPs and the Provider Network.

### **IV. MONITORING AND REVIEW**

This policy is reviewed by LRE CEO and/or designee on an annual basis.

### **V. DEFINITIONS**

**Credentialing:** Confirmation system of the qualification of healthcare providers. The act of verifying a health care practitioner’s “credentials” such as licensure, education, and training.

**CMHSP:** Community Mental Health Services Program.

**Individual Practitioner:** includes Licensed Individual Practitioners who are permitted by law and the organization to provide care and services without direction or supervision, within the scope of the individual’s license OR other Licensed or Certified Health Care Practitioners who are licensed, certified, or registered but who are not permitted by law to provide care and services without direction or supervision.

**MDHHS:** Michigan Department of Health and Human Services

**Organizational Providers:** Entities that directly employ and/or contract with independent contractors to provide behavioral health/health care services. Examples of organizational providers include but are not limited to: Community Mental Health Services Programs; hospitals; nursing homes; homes for the aged; psychiatric hospitals, units, and partial hospitalization programs; substance abuse programs; and home health agencies.

**Recredentialing:** Process of updating and re-verifying credential information

**SUD Provider:** Substance Use Disorder (Treatment, Prevention, and Recovery) provider

## VI. RELATED POLICIES AND PROCEDURES

- A. Credentialing and Recredentialing Licensed Individual Practitioners Procedure
- B. Credentialing and Recredentialing Organizational Providers Procedure

## VII. REFERENCES/LEGAL AUTHORITY

- A. MDHHS Medicaid Specialty Supports and Services Contract
- B. Michigan Medicaid Provider Manual
- C. MDHHS Provider Credentialing and Re-Credentialing Processes
- D. 42 CFR 438.214
- E. 42 CFR 438.12

## VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
12/16/2021	Added general requirements, updated language	COO and Designee
12/15/2022	Updated delegation language	CEO and Designee