

**North Carolina Department of Insurance
Response to Questions Regarding
HB 1160 - Uniform Provider Credentialing**

October 11, 2001

1. Recredentialing “Short Form”

Do we understand correctly that it is permissible for health plans to use a shorter form than the Uniform Application for recredentialing purposes? We understand that this form could not ask any questions or raise any issues that were not part of the Uniform Application, but a form that is essentially a subset of the full application would be much less burdensome for all concerned than requiring providers to note “not applicable” next to almost every line on the application. What is important for recredentialing is identifying what has changed since the initial credentialing of the provider. Often, little or nothing has changed and a shorter form for recredentialing seems appropriate in these cases. Please also confirm that this recredentialing “short form” does not have to look like the Uniform Application (i.e., plans can recreate a recredentialing form using the necessary information from the Uniform Application).

Response: Health plans may create a shortened version of the Uniform Application for recredentialing purposes by eliminating unnecessary questions and/or requesting responses only to those questions pertaining to information that has changed. Questions drawn from the Uniform Application may not be altered.

2. Procedure for credentialing of health care facilities.

Does NCDOI agree that health plans are not required to use the Uniform Application for credentialing and recredentialing of health care facilities? The Application would not appear to be geared for such a purpose. It would seem to be more appropriate to follow the rules laid out in NCAC 11.20.0404(2), namely requiring health plans to:

“...obtain and retain on file the following information regarding facility provider credentials, when applicable:

- (a) Joint Commission on Accreditation of Healthcare Organization's certification or certification from other accrediting agencies.
- (b) State licensure.
- (c) Medicare and Medicaid certification.
- (d) Evidence of current malpractice insurance.

Since this section of the credentialing rule was not amended, we assume this approach is what NCDOI had in mind.

Response: The Uniform Application is not intended for use in the credentialing of facilities and the law does not apply to the credentialing of facilities. All policies and procedures regarding credentialing of facilities shall include the minimum requirements of 11 NCAC 20.0404(2).

3. Older applications still “in the pipeline”

Will it be acceptable for health plans to continue to accept non-uniform credentialing and recredentialing applications that were distributed or completed by providers prior to the passage of the new credentialing law? Since the intent of the law is to reduce the administrative burden on health care providers, it seems counter-productive to require providers to submit another application if a similar one has already been completed. Please also confirm that allowances will be made during examinations for this “run-out” period for previously provided old applications. It is our understanding that effective October 1, only the Uniform Application should be distributed by health plans. However, how should we handle the situation where a non-standard application is completed by the provider prior to October 1, but submitted after that date? Does the health plan have the option to accept non-standard applications in this situation?

Response: Applications that are received by health plans prior to December 1, 2001 do not need to be re-submitted on the Uniform Application if the applicant utilized a form acceptable to the health plan. The processing timeframes and review standards imposed by 11 NCAC 20.0405 must be applied to all applications received on or after October 1, 2001. Therefore, if an older application required information not required on the new Uniform Application, the plan may not reject the application if such information is not provided.

4. **Information technology challenges.** Since the final Uniform Application was not available to the industry until late September, it was impossible for most plans to fully integrate the form into their IT systems prior to the October 1 date. Can you clarify how NCDOI will handle this for examination purposes? Will plans in the process of implementing system changes be required to handle all newly-received credentialing applications on a completely manual basis? This could lead to new types of delays in the credentialing process, which is clearly not the intent of the legislation. As long as health plans are accepting the Uniform Application from any and all providers by October 1, is it acceptable to gradually implement the process at a system level over the next 60 days? Systems at some plans appear to be incapable of a more rapid transition.

Response: The Examiners will be reviewing the samples to ascertain if all the elements are obtained and verified as required by regulation as of October 1st. How the health plans handle the actual process (whether automated or manual) is dictated by the health plans and not the Department. Health plans must be able to demonstrate compliance with the required elements during the examination.

5. **Acceptability of scanned and faxed forms.** NCQA allows health plans the option of accepting credentialing forms that are scanned, faxed, or otherwise submitted electronically (including the signature block on the attestation page). Will NCDOI allow health plans to follow the same option? This would seem to be consistent with NCGS 66-317 that governs electronic signatures

Response: It is permissible, though not required, for health plans to accept credentialing forms that are scanned, faxed or otherwise submitted electronically. The date of receipt of the electronic document will be the date the information is submitted and the date must be clearly documented. For purposes of examination pursuant to 11 NCAC 19.0107, subsections (c) and (d), the Department will consider all electronic submissions regarding Uniform Applications to be “duplicate” records in which case the health plans must be able to meet the requirements of subsection (d).

6. **Possible problems accommodating non-physicians/special types of providers.** Requiring a single credentialing form for all health care providers makes it difficult to accommodate the diverse needs of subspecialty MDs and the wide variety of non-MD providers, including psychologists, physician assistants, etc. This was the main reason NCAHP developed an application specifically designed for physician assistants in 2000. NCAHP members will report any problems encountered in credentialing non-MD providers to the Association and we will provide feedback to NCDOI that may be helpful in revising the Uniform Application or creating multiple, provider-specific applications.

No response required at this time.

7. **Credentialing contact person.** The draft, red-line version of the Uniform Application included places to identify both a general administrative contact and a contact specific to the credentialing process. The final version of the Application asks only for an administrative contact. In the event the application is lacking some key document or information, having a specific contact for credentialing can help to speed the correspondence with the applicant. Why was the credentialing contact line deleted? Would NCDOI consider amending future versions of the Application to include it? Alternately, will NCDOI allow plans to inform applicants (say, in a cover letter) that the administrative contact question should be answered with the name of the credentialing contact? My members say that the administrative contact and the individual responsible for credentialing are quite often not the same individual, especially in situations where credentialing is delegated to some entity outside the provider’s office.

Response: The Department is in favor of amending the Uniform Application to include the name of the “credentialing contact.” In the meantime, health plans may inform applicants how to answer the question regarding “administrative contact” in their cover letters.

8. **Specifics on 60-day requirement.** It is clear that health plans must respond to all credentialing applications within 60 days of receipt. However, in the event that the response cannot be definitive (missing information, additional details required), what information must be included in the notice to the provider? Is it sufficient to note what additional information is required to complete consideration of the application? Would the plan have the option of declining to credential the provider and asking for resubmission of a complete application?

Response: As you have stated above, all providers submitting applications must receive a response from the health plans within 60 days. It is unlikely that the health plans will be unable to provide a definitive response to providers if they are compliant with the requirements of 11 NCAC 20.0405(2)(a) and (b). In the event that the provider fails to submit the necessary information or if previously submitted information has expired, health plans are permitted to close the application pursuant to 11 NCAC 20.0405(c) and request resubmission of the completed application.