HALL RENDER
KILLIAN HEATH & LYMAN
HEALTH CARE UNINTERRUPTED

Credentialing and Privileging Challenges

How to Address, Avoid, and Adapt

MEDICAL STAFF SEMINAR 2025

Empowering Medical Staff. Enabling Excellence.

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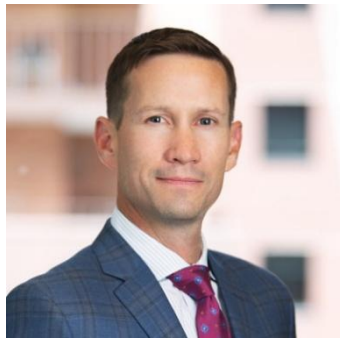
Presenter Info



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Agenda

- Credentialing and Privileging as a cornerstone
- Identify common challenges
- Apply practical strategies
- Strengthen defensibility
- Adapting to an evolving health care environment
- Case study primers

"One of a hospital's primary functions is to provide a place in which [providers] dispense health care services. The quality of a health care provider's medical staff is intimately connected with patient care. A hospital's credentialing of [providers] is necessary to that core function and is, therefore, an inseparable part of the health care rendered to patients."

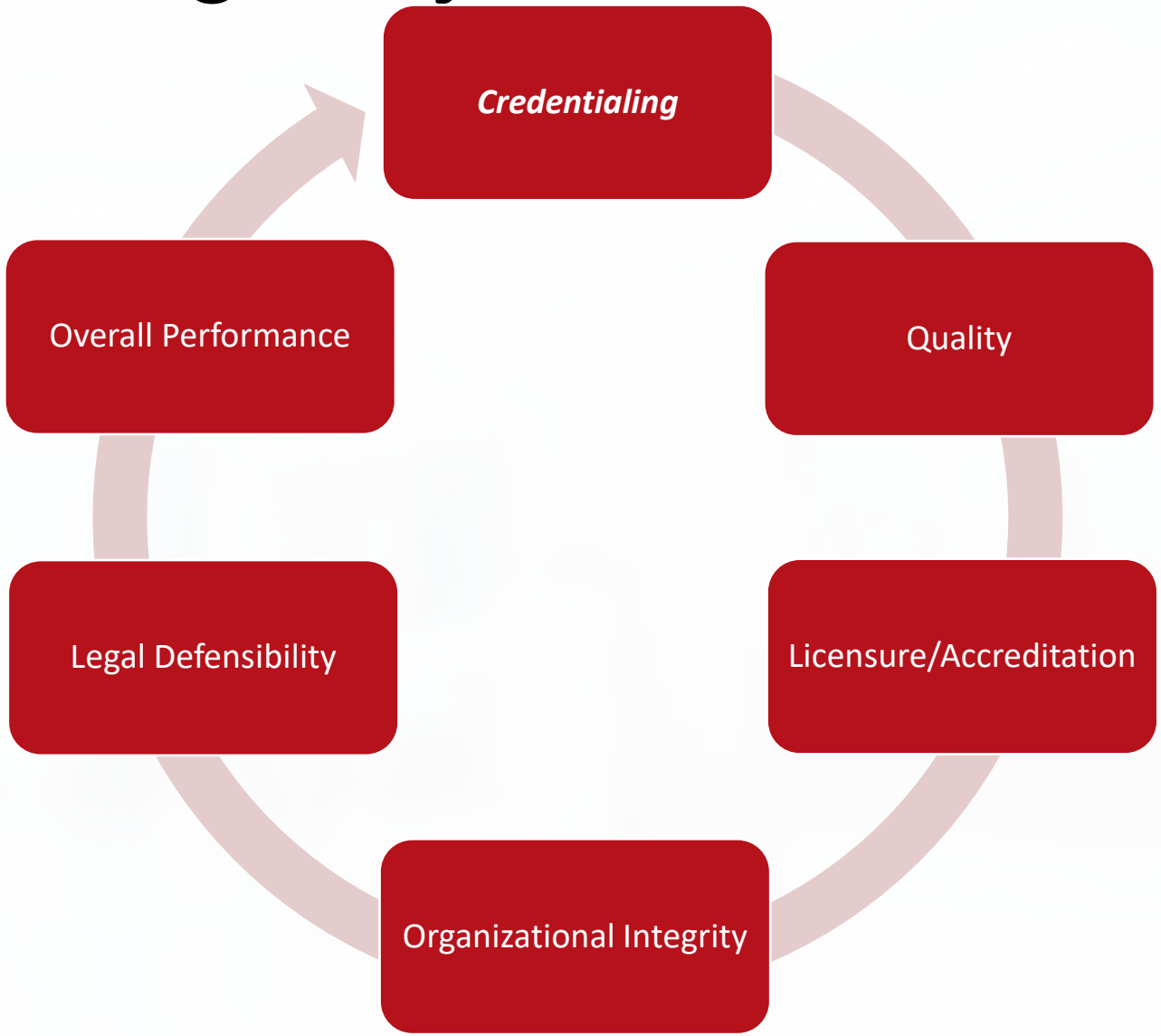
Texas Supreme Court

156 S.W. .3d 541 (Tex. 2004)

Credentialing and Privileging

- Many of our successes and challenges in health care start and end with credentialing and privileging – starting with quality tends to lead to quality
- Hospitals are required to engage in various processes that are intended to ensure/further the quality of patient care
- These processes largely focus on:
  - Credentialing and Privileging
  - Quality Assurance and Performance Improvement oversight activities
  - Corrective Action or other interventions
- We tend to pursue these activities first for regulatory and accreditation compliance then for risk management followed quality of care/patient safety

Credentialing's Cycle of Influence



Today's Landscape

- Multi-site systems → demand for standardization
- Expanded APP workforce & evolving scopes of practice
- Increase in telehealth/virtual care
- Payer pressures & enrollment challenges
- Technology-driven or influenced procedures
- Regulatory & Legal scrutiny increasing
- Patient perceptions and increasing expectations around "value", experience, and outcomes

Credentialing Challenges

Credentialing Challenges

- Qualifications: say what you mean and mean what you say
- Incomplete or inaccurate applications
- Weak or outdated verification processes
- Missing analysis or documentation of gaps/red flags
- Neutral or uninformative references
- "Rubber-stamp" reappointments/renewals

Qualification Ambiguity

- Examples:
  - “Appropriate Training and Experience”
  - “Regularly involved in patient care”
  - “Unlimited license to practice _____“
  - Arbitrary or unclear clinical activity requirements
  - To be or not to be: sub-specialty board certification
  - “Good standing”
  - “Ability to safely perform privileges”
  - *INSERT HERE*

Incomplete / Inaccurate Applications

- Unexplained employment or practice gaps
- Unreported malpractice claims
- Disciplinary actions not or under-disclosed
- Foreign training verification challenges

Addressing Application Gaps

- Require written explanatory statements for discrepancies or questions
- Clarify the concept of a “completed” application and all-phase applicant burden
- Expand scope of pre-application/screening?
- Require personal certifications
- Adopt structured committee review

Reference Letters: Between the Lines

- “Satisfactory” or neutral tone = red flag?
- Gaps or inconsistencies in reference responses
- Overly cautious or vague language
- Lack of specificity regarding competence
- Domain complete?
  - Patient Care
  - Medical Knowledge
  - Practice-Based Learning and Improvement
  - Interpersonal and Communication Skills
  - Professionalism
  - Systems-Based Practice

Understanding Negligent Credentialing

- Negligence occurs when a duty is owed to someone, that duty is breached and the breach resulted in harm (damages)
- Negligent credentialing occurs when a hospital (or other organization) grants membership/privileges to a practitioner who they knew or should have known is not qualified, competent or otherwise could reasonably create harm
- Also sometimes referred to as/or variations of:
  - Corporate negligence, negligent retention…hiring…supervision, etc.
  - Negligent credentialing is recognized in more than 30 states
- Actual standard: Duty to exercise due care in the selection of medical staff, and failure to properly investigate and verify the credentials of medical staff

Where Negligent Credentialing Resides

- Process: Flawed or Failure to Follow
  - Not following bylaws, regulations or policies
  - Not consistently applying processes, requirements and criteria
  - Use of a poor or flawed process, policy or criteria
- Information: Basis of Decision
  - Information was available but not requested or reviewed
  - Failure to address identified concerns or red flags
  - “It’s not a problem until it’s a problem”
- Claims tend to arise from patients/families or 3rd party

Examples

- Credentialing prohibits fast track in certain scenarios but you proceed anyway
- MSP identifies negative malpractice history trend and committee does not evaluate
- Providing inaccurate or misleading information in response to professional reference inquires
- Failure to address disruptive behavior, hostile environments or impairment
- Not applying commonly recognized standards regarding scope of practice, quality assessment activities, criteria, etc.

Privileging Challenges

Privileging Challenges

- Privilege reconciliation/privilege creep
- Lack of documentation or reconciliation around new technologies
- Overly broad or outdated delineations/core descriptions
- Lack of objective or measurable criteria
- Misalignment with APP scopes of practice
- Temporary or Locum Tenens scenarios

Overly Broad/Outdated Privilege Forms

- "Kitchen" sink delineations/core descriptions
- Inconsistency on bonus/add-on/non-core
- Unsupported core privileges
- Procedure not linked to specialty training
- Merged specialties risk

Privilege Criteria

- Training + experience
- Case/procedure logs + volume thresholds
- Quality data/performance data (attribution of patient contacts)
- Consistency and clarity for simulation or proctoring requirements
- FPPE/OPPE integration, effectiveness, and application

APP Scope and Related Issues

- Common misapplication and confusion regarding supervision vs collaboration vs defined independence
- New procedures without governance structure
- State law constraints (multi-state consistency)
- APP data attribution

Temporary and Locum Tenens

- Overuse or misuse convenience – eye of the beholder?
- Lack of proper PSV
- Unintended bypass of credentialing
- Clarity regarding the “catch-alls” of *temporary* and *locum tenens*
- FPPE integration?

Best Practices & Adaptation

Credentialing Systems

- Standardization/structured approach, i.e., checklists, documented gaps
- Expanded scope of pre-application/screening?
- Competency-oriented credentialing committees
- Legal review when red flags arise
- Structured communication or escalation pathways
- FPPE effectiveness if converting to a 3-year cycle

Modernized Privileging

- Structured, evidence-based forms (consistent across specialties/departments, etc.)
- Procedure-specific criteria
- Volume-Based" to "Competency-Based"?
- Routine refresh cycles
- Service line integration
- Privilege reduction pathway
- Structured New Procedure or Emerging Technology process
- OPPE alignment

FPPE & OPPE

- Trigger-based reviews/event-driven evaluations
- Customizable parameters by specialty
- Mandatory training, monitoring, and education add-ons
- Low/no volume monitoring
- Actionable dashboards
- Any and all assume actual effectiveness and implementation
  - Simple and applied is better than the opposite

Case Study Primers

Case Study: The Disappearing Gap

Applicant omits a 9-month gap. NPDB shows a malpractice settlement during this period

What do you do next?

Case Study: APP/New Procedure

APP requests new procedure; privilege form lacks procedure; surgeon supports expansion

What are your next steps?

Case Study: Silent Privilege

Physician has no volume for a major procedure during most recent term; Department Chairperson recommends reappointment/renewal with full privileges.

What say you?

Key Takeaways

- Credentialing/Privileging = core quality and patient safety functions
- Standardization/Consistency + documentation = defensibility
- Process = confidence and credibility
- Continuous Improvement/Modernization = efficiency and resilience
- Address red flags immediately – not at reappointment/renewal

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Questions?

Contact Us

For more information on these topics visit hallrender.com.

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