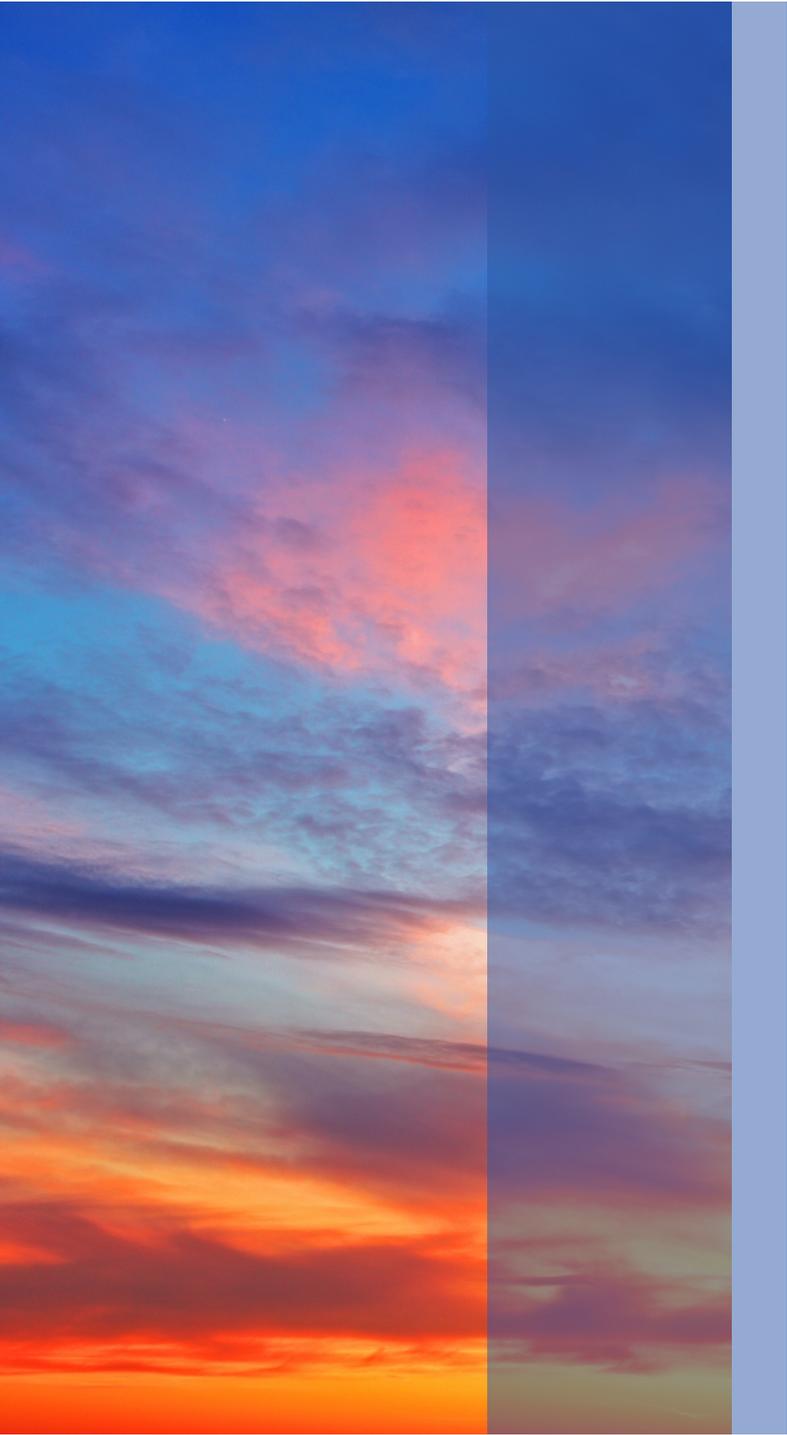


Closing the Five CRITICAL GAPS

in Health Care Screening, Verification and
Monitoring for Credentialing





A Guide to Understanding the Issues and Using
Data Technology to Improve Provider Transparency
to Protect Patients and Reduce Risk

Table of Contents

- 03 Transparency: A 360-Degree View of All Parties
- 05 Long-Term Reputational Damage Can Far Exceed Near-Term Costs
- 07 The Root of the Problem
- 08 Five Critical Gaps in Screening, Verification and Monitoring for Credentialing
- 08 The Source Gap
- 09 Cross-State and State to Federal Reporting Gap
- 10 Time Lag Gap
- 11 Continuous Monitoring Gap
- 12 Name Matching Gap
- 14 A Vision of Transparency: Now a Reality

Transparency: A 360-Degree View of All Parties

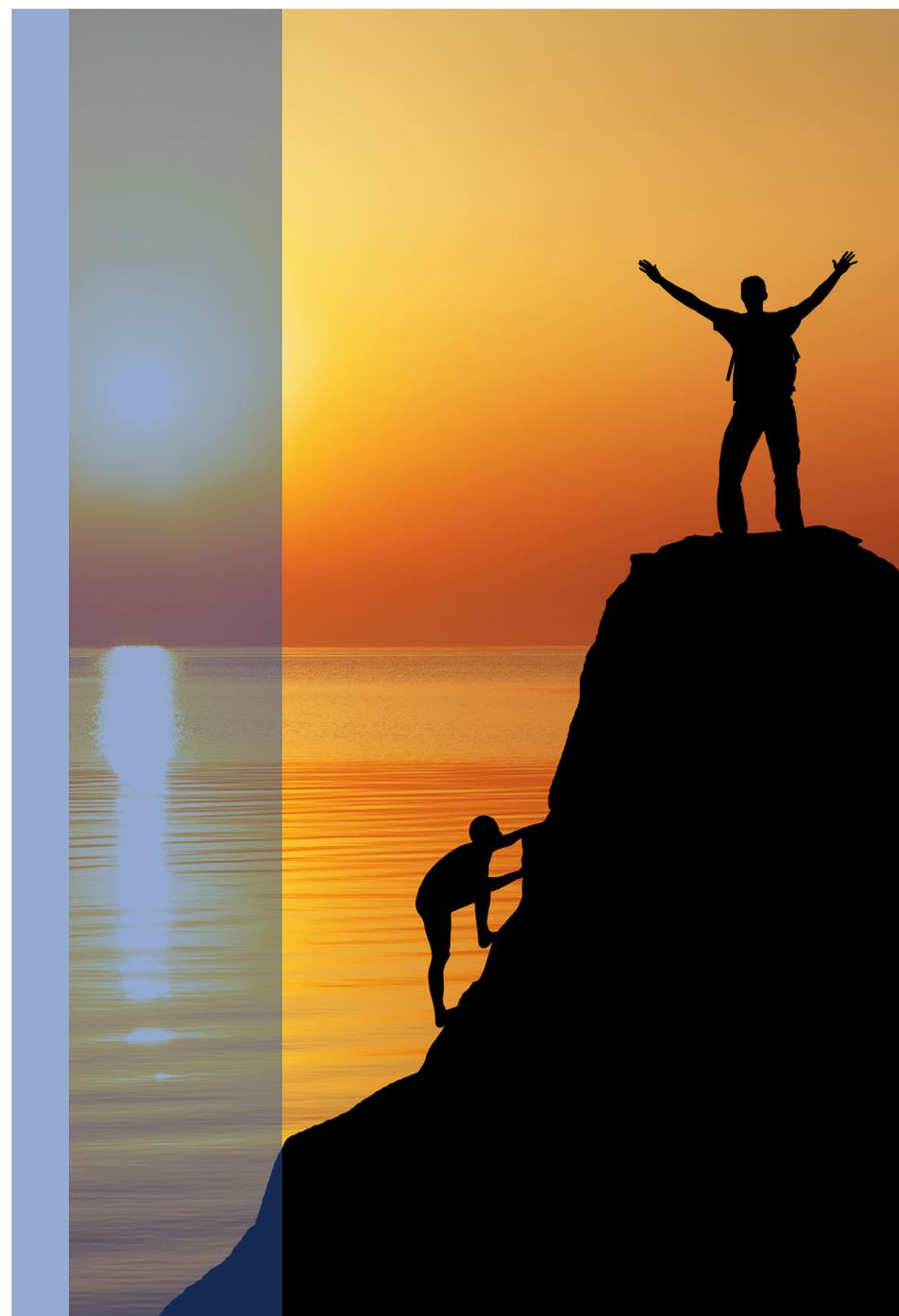
Delivering the highest level of care while protecting patients is critically important to achieving and sustaining your reputation as a health care organization.

How much transparency do you have into your workforce and partners? Do you know everything you need to know? The gaps can be problematic.

It is critical to have complete transparency into every member of your workforce, particularly those who serve patients. With demand rising among all health care stakeholders for information access and disclosure, the processes and technologies you apply to screening, verification and monitoring for credentialing can protect your organization—and more importantly—your patients.

Transparency is a tangible, competitive advantage with a definable return on your investment.

This guide will inform compliance, legal, risk management, human resources (HR) and credentialing professionals of the most common and critical screening, verification and monitoring gaps in the credentialing process and determine to what degree these gaps exist within their organization. When shared across the departments, this guide will significantly improve performance and efficiency.



Screening, primary-source credentials verification and monitoring of clinical health care practitioners and the teams supporting them, including new hires, current staff, affiliates and third-party vendors are important functions of the HR, Compliance and Medical Affairs/Staff Services teams at every hospital system, acute, post-acute and long-term care facility. Proper due diligence is more vital than ever as demands for transparency rise in order to meet standards and regulatory compliance. The ramifications for oversights and mistakes becomes increasingly severe as the press has focused on patient death and abuse, and federal programs focus on mitigating fraud, waste and abuse.

The Value of a 360-Degree View of all Parties

Aside from mandated compliance requirements, there are critically important business reasons to ensure complete and thorough screening, verification and continuous monitoring as the core of the credentialing process performed across the workforce and external individuals as well as entities which serve an organization. Now, more than ever, administration and leadership are due for standing true to the same level of transparency as providers.

It's Not Only the Adverse Information That's Important

While it is essential to uncover adverse information about a potential or existing member of your workforce or partner, there is also a tremendous benefit to obtaining and maintaining non-adverse data. Knowing the full scope of education, experience, certifications and credentials throughout the enterprise can provide a more informed decision on resource allocation. Information is power, and a complete 360-degree view can help your organization better understand and manage talent across the workforce. Something as simple as knowing where foreign language fluency sits can add tremendous value to your organization.

Insights from more than 25 years of data collection and aggregation through Verisys' service to thousands of health care organizations indicate that in a typical population of health care employees, professionals and practitioners in an organization, one in every 20—a full 5%—have adverse information in their background. The adverse data ranges in severity from exclusions for unpaid student loans to professional disciplinary actions, to registered

Proper due diligence is more vital than ever as demands for transparency rise in order to meet standards and regulatory compliance.

sex offenders, Medicare/Medicaid exclusions and debarments, to criminal or civil actions involving medical malpractice or fraud. If not discovered and addressed, these issues can have serious consequences to the organization:

- **Risk to patient safety:** Patient safety is at risk when physicians, allied and skilled health care workers or contractors with access to patients, have prior evidence of a lack of credentials, incompetence, negligence or abusive and disruptive behavior join or are allowed to remain in an organization.



- **Liability for negligent hiring:** Health care organizations are responsible for uncovering adverse background and current information, such as: licensing disciplinary actions, abuse, fraud, exclusions, debarments, sanctions, civil malpractice or criminal behavior in the screening process before hiring. Failure to properly vet the people and businesses engaged with an organization can result in legal liabilities, reputational damage and a compromised patient experience.
- **State or federal sanctions and penalties:** Penalties can be severe for organizations that rely on incomplete, outdated or inaccurate data sources in the screening, primary source verification and monitoring processes.
- **Violation of standard-setting organization requirements or failure to adhere to internal policies and procedures:** An organization's failure to collect, verify, share and monitor professional and performance data in accordance with internal bylaws, policies and procedures as well as agreed-to standards (The Joint Commission, DNV, HFAP, NCQA or URAC) on an ongoing basis such as license expirations, lawsuits and judgments can lead to serious consequences.

Long-Term Reputational Damage Can Far Exceed Near-Term Costs

The costs of missed information or negligence throughout the credentialing process and retention practices can be substantial.

At play are legal liabilities, fines and other direct costs. The damage of a highly publicized incident which could have been prevented by using reliable data sources and advanced technology present irreparable damage and great expense. Reputational risk is real and tangible. As health care organizations vigorously compete to attract and retain patients, as well as staff and referring physicians, one adverse event can devastate a hard-earned reputation and significantly impact revenue by patient attrition and the ability to attract and retain key talent.

USA Today and ProPublica have revealed many egregious instances of provider harm due to failure to properly vet health care practitioners:



VA failed to report 90% of potentially dangerous medical providers, GAO confirms

(<https://www.usatoday.com/story/news/politics/2017/11/27/va-failed-report-90-potentially-dangerous-medical-providers-gao-confirms/890582001/>)



Thousands of doctors practicing despite errors, misconduct

(<https://www.usatoday.com/story/news/nation/2013/08/20/doctors-licenses-medical-boards/2655513/>)

Recent high-profile medical malpractice cases where undetected sanctions against physicians caused significant reputational damage demonstrate the importance of performing a thorough review of providers applying for employment or engagement.

The following are examples of incidents and recurring behaviors that could have been prevented or cut short by checking FACIS®, Verisys' database of exclusions, sanctions, debarments and disciplinary actions. The turn-key technology platform, CheckMedic, would have flagged bad behavior with its access to some 5,000 primary source publishers. By checking DEA, FACIS®, national licensure and other sources of data behavior such as state hopping, violent or criminal acts and fraud can be tagged sooner rather than later.



FACIS® shows Lawrence I. Miller was historically excluded for offenses related to distribution of controlled substances. Accessing and acting on accurate historic and current data sources would have prevented illegal distribution of opioids.

<http://www2.philly.com/philly/news/pennsylvania/doctors-opioids-illegal-prescriptions-montgomery-county-rybicki-miller-cipriano-keeley-20180912.html>



Dr. Stephen Chalker, pharmacist, defrauded federal programs of some \$5 million in a compounding scheme.

<https://www.justice.gov/opa/pr/south-florida-pharmacist-convicted-health-care-fraud-role-5-million-compounding-pharmacy>

CheckMedic systematically flags high-risk behaviors on entities. For instance, the pharmacy obtained a business license in 2011 and immediately changed the filing address—a flag indicating further investigation. The entity then voluntarily dissolved and submitted to revoke dissolution stating and changed the agent/owner and addresses.

All of these actions are red flags indicating financial and compliance risk. Entity verification through FACIS®, a license and DEA review would have captured the warning signs avoiding this loss to Medicare, Medicaid and TRICARE.

The Root of the Problem

Processes, Data Sources and Systems that Are Not Producing Complete Information

HR, Medical Affairs/Staff Services and Compliance departments typically screen applicants and verify credentials and licenses using manual searches of individual databases or third-party software systems that simply store data from a limited quantity of sources and jurisdictions.

Unfortunately, gaps in this approach often prevent getting a complete, current and accurate story.

Why? The information needed for a complete screening and credentialing check is dispersed among thousands of databases from local, state and federal bureaus and agencies, plus independent professional organizations and boards. The complexity and lack of connectivity between sources can lead to major problems, such as granting privileges to a doctor with an undiscovered exclusion, debarment or disciplinary action, or hiring and retaining health care workers with adverse background issues or expired licenses.

It is therefore imperative for organizational leaders and professionals to recognize and take affirmative steps to close these gaps in their own in-house credentialing and sanctions/license screening, verification and monitoring processes.

It's Not What You Know That Will Hurt You, It Is What You Don't Know

Up Front: One of the greatest risks to an organization is information that is either intentionally or inadvertently omitted. Huge gaps in data create significant problems for organizations when processes are narrowed jurisdictionally and employ too few data sources, often without the benefit of augmented data and technology. It is impractical to individually search thousands of sources, which means critical data is missed. Further, point-in-time single searches miss historical content contained in longitudinally aggregated data sets like FACIS®. This common gap prevents obtaining a complete view of the applicant's prior professional record and background historically, not just currently.

Post-Hire/Contract: The second greatest risk is the "one and done" approach. An organization can perform the best screening and credentialing effort practical and move on to hire or contract. Once hired or contracted, if your organization is not monitoring every employee, contractor or affiliate, you are placing your organization at grave risk. In any given year, approximately 8% of your total population will have a non-disclosed adverse action: from criminal and sex offense to exclusion, debarments and professional discipline. Ongoing monitoring will identify those gaps.

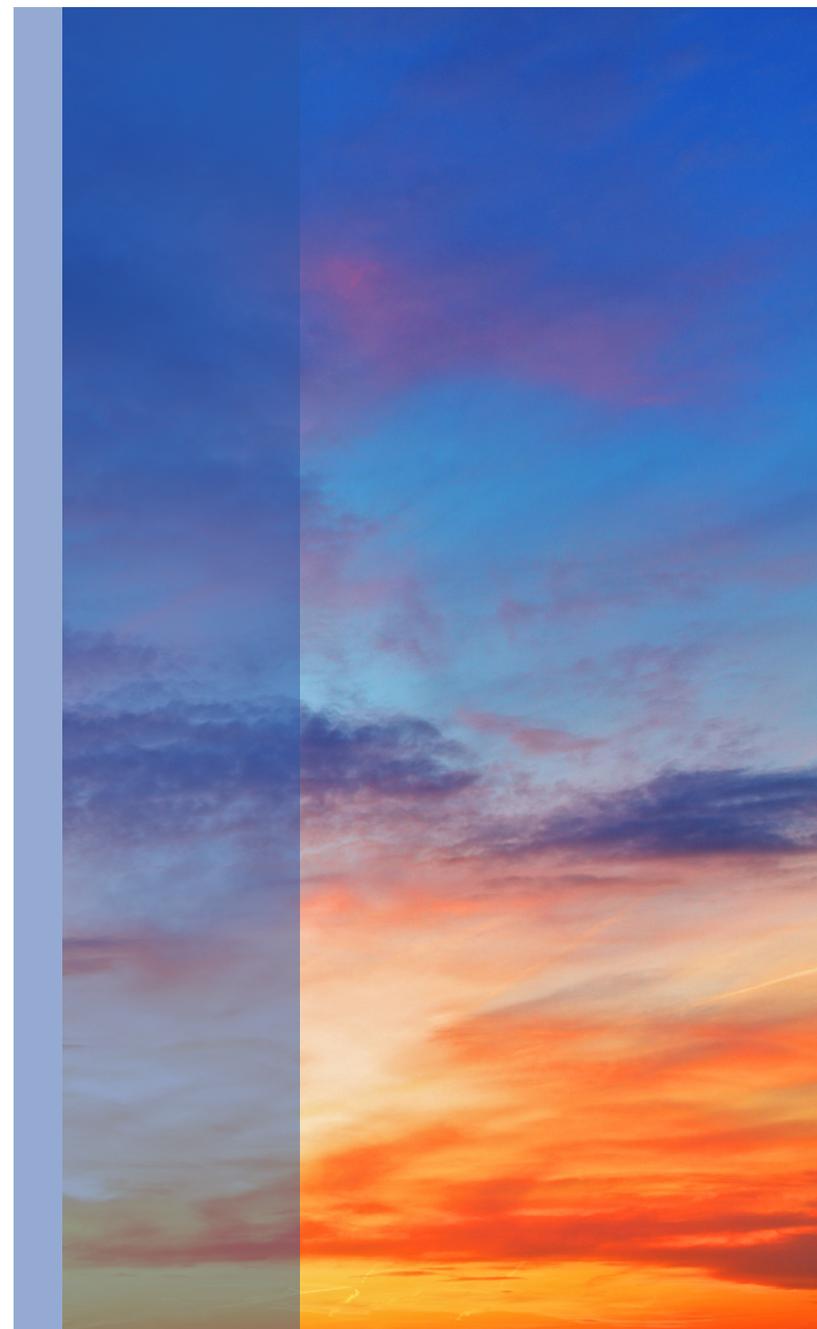
Five Critical Gaps in Screening, Verification and Monitoring for Credentialing

1 The Source Gap: Reliance on one, or just a few, data sources to uncover critical adverse information

Searching a single database, or just a few (out of the thousands of accessible databases), to check for sanctions, exclusions, debarments or licensure discipline and other potentially adverse information on an applying physician or health care worker is a risky approach. Health care workers often have careers characterized by upward mobility, perhaps starting out as a nurse and later becoming a nurse practitioner or physician. And, health care workers have highly fungible credentials, which makes changing or adding jurisdictions easy. Checking all licensing sources is critical.

By way example NPDB contains 1.3M records, adding about 60K new records a year (see <https://www.npdb.hrsa.gov/analysistool/>) and the gold standard data set, FACIS® contains over 7.5M records adding over 500K a year.

Only by accessing highly aggregated data sources with thorough coverage and having the technology to link the data to the correct provider, can the health care organization be assured of getting complete information on sanctions, exclusions, debarments or licensure discipline for a physician or skilled/allied health care provider.



Closing the The Source Gap:

Search a full range of comprehensive provider data sources

A complete and accurate 360-degree view can only be attained by searching numerous primary source datasets. Today's leading solution, FACIS, accomplishes this with a comprehensive database of sanctions, exclusions, debarments and licensure disciplinary actions from all 56 U.S. jurisdictions for all provider types.

Verisys also accesses thousands of additional primary data sources, including NPI, PECOS, DEA, sex offender databases, abuse and imposter registries, death master files, Office of Foreign Asset Control (OFAC) databases and more.

2 Cross-State and State to Federal Reporting Gap: No credible national process or platform for individual states to share credentialing information with each other

States, not the federal government, license professional health care providers. Health care providers routinely move over the course of their careers or practice across state lines and therefore often hold licenses in multiple states. Because state data sources rarely, or in some cases, never exchange their data with other states, or report it to central data sources like NPDB or to the OIG, organizations that search only their own jurisdiction's data source can unwittingly miss crucial information. Complete information on licensing status, disciplinary actions and state Medicaid exclusions will not be found without checking data sources from other states.

This is compounded by search processes that often rely on self-reported data, supplied by the prospective physician or staff member, rather than primary source data. With self-reporting, the applicant could, for example, conceal a past license revocation in another state simply by omitting prior address history from their application form.

Large Amounts of Data Not Reported Up, Unacted Upon

Under Sec. 42 U.S. Code § 1320a-7 - Exclusion of certain individuals and entities from participation in Medicare and state health care programs - a person or entity can be excluded for 20 different causes, 4 mandatory and 16 permissive. Since states rarely report up to the federal government, nor does the federal government actively seek out state-level actions, fewer exclusions happen due to a lack of communication between state licensing boards and the DHHS OIG. However, state-level actions still put your organization at significant legal, financial and reputational risk—even if they never get to the OIG.

Closing the Cross-State Reporting Gap:

Conduct licensing and sanctions searches across all jurisdictions

The best data and technologies provide real-time search access across all jurisdictions for current and historical data for all license types including, but limited to: physicians, nurses, trained medical staff, students in clinical placement and entities that deliver health care goods and services.

These solutions identify a provider's current and historical license status across every jurisdiction

as well as the license type and status of each license and certification, whether restricted, inactive, voluntarily surrendered, expired or in good standing. It is essential that this licensing information is acquired directly from the primary source and does not rely on self-reporting by the provider. Verified License Search and Status® (VLSS) by Verisys is a real-time transaction engine that protects organizations from fines and

exposure by actively verifying, gathering, and monitoring primary source data on health care providers across all jurisdictions from licensing boards in all U.S. states. VLSS also helps mitigate risk with state hoppers, by not only looking where the provider is employed, but also where they have previously lived and worked and the status of those licenses.

3 Time Lag Gap: Commonly used databases do not receive new information in a timely manner

When supplying data on reported practice exclusions, debarments, disciplinary actions, lawsuits or other incidents, third-party data vendors may provide their customers with access to well-known government datasets, such as OIG-LEIE, GSA-SAM and NPDB. They may also pay for non-governmental organization (NGO) databases such as AMA and FSMB. As these data sources rely on information provided by state medical boards and other local regulatory bodies there can be a significant delay—often months or years—before new information appears in their databases. This delay is caused by the governmental organizations and NGO's reliance on a passive push model; they wait for data to come to them and many times the data never arrives.

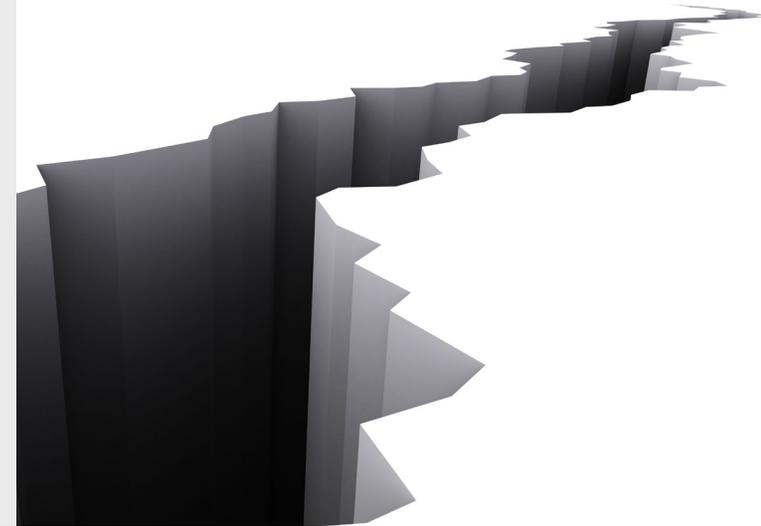
As a result, a credentialing and screening search performed today on a physician or other health care professional may not return adverse information which occurred within the previous months or even years. If this information isn't continuously monitored after the initial screening by a best-practices company that actively pulls data in a timely manner, then your organization is exposed to potential risk and fines.

Closing the Time Lag Gap:

Get near real-time access to provider exclusion events

To overcome the time delay from when a provider has a published sanction, exclusion, debarment or licensure/registrant/certification disciplinary action, and when these records are reported to conventional data sources, such as OIG, SAM, AMA and FSMB, the health care organization must access every federal and state adverse action and licensure, registration and certification dataset across every jurisdiction for every provider taxonomy type every day. It often takes months or years for adverse

actions to reach conventional data sources. Verisys developed technology using automated, real-time processes to continuously scan these thousands of data sources and report adverse actions and events in near real-time. With this capability, your organization can avoid liability and compliance risk for any physician, trained health care worker, employee, affiliate, contractor or vendor subject to an adverse action of any type.



4

Continuous Monitoring Gap:

Ongoing monitoring is not performed for all medical staff, licensed and unlicensed

To ensure high-quality patient care and avoid liability it is important to verify that professional licenses for all health care staff in a facility are current and active and not expired, suspended or terminated. Similarly, it is important to stay abreast of federal exclusion activity, abuse, offender and imposter data, as well as criminal or civil issues that may arise, particularly for unlicensed staff. An organization must be certain that a health care provider or entity is properly credentialed with no adverse actions today and on an ongoing basis.

It is a costly and complicated challenge for organizations to dedicate the time, resources and labor required to perform these ongoing, repetitive searches. Many organizations struggle with resource constraints, data access and changing regulation requirements, as well as updates to standard-setting organization requirements, such as NCQA and URAC.

This is a critical area where the right technology can automate processes, increase quality and reduce

cost. By continuously searching for federal and state sanctions, exclusions, debarments, abuse, sex offender, imposter data, criminal or civil issues and license status issues you can eliminate significant risk across your organization's entire roster of physicians, health care workers, affiliates and vendors.

Closing the Continuous Monitoring Gap:

Continuously monitor your populations for sanctions, exclusions, debarments and disciplinary actions

Verisys' proprietary technology makes it possible to continuously monitor millions of provider and entity records to get the most complete and accurate profile on any provider. Further, any changes to any provider profile can be instantly detected and reported. This can apply to all physicians, nurses, technicians, therapists and

other trained medical personnel, as well as external entities.

Ideally, the technology should monitor all dynamic data elements against primary data sources to ensure that any status changes or new adverse actions are identified and reported in a timely manner.

5 Name Matching Gap: Limited ability to match and verify names and addresses

Names are not unique, and across the U.S. there are many individuals sharing the same name. First name and last name combos do little to help matching a record to an individual. A middle name, however, makes a big difference if it is unique. A physician or skilled healthcare professional may or may not keep their maiden name, or they may have a fairly common name shared by many other providers. They may even appear as multiple people with spelling variations. The databases commonly accessed for screening, credentialing and monitoring are often not supported by the technology or

verification experts to match and primary source verify the specific information belonging to the applying or monitored professional. As a result, this can make it difficult to confirm that a practice exclusion record found in a database for physician "John Smith" is a match for the John Smith who is currently applying for employment or one you have a current working relationship with.

Since many third-party data and software providers cannot provide name or entity name resolution and primary source verification, this task is often left to

a member of the medical staff services or compliance team who must spend extra hours attempting to figure out which “John Smith” is the right John Smith, and furthermore, if the individual is also “Jon Smith” or “John Smythe”. Even with that extra effort they may not be able to accurately verify the adverse action information based on the limited data sources available to them.

There is a similar problem when trying to independently verify an applicant’s previous home addresses. Again, most third-party data and software providers do not provide this searching, matching and verification technology.

Without exact and verifiable name matching to the myriad of adverse action records, and without a complete listing of the provider’s prior address information, a known sanction, exclusion, debarment or license adverse action may be overlooked because it was not properly associated with the individual. Additionally, important state adverse actions can go undetected if the applicant intentionally omitted a prior state of residence on their application.

Closing the Name Matching Gap:

Combine technology with expert provider name and address record-matching and near-flawless verifications

Verisys’ platform couples millions of provider and entity records with proprietary matching logic and primary source verification to guarantee that the information retrieved on a physician, trained health care professional or entity—whether it be clean or adverse information—is an exact match to the individual or entity applying for employment, privileges or affiliation as a vendor or contractor.

Adverse data found in a search—sanctions, exclusions, debarments, disciplinary actions—

should then be verified by a trained expert, who reviews every original, primary source piece of data to ensure that the searched individual matches other pieces of the record to deliver a complete and accurate search narrative.

Organizations using this process generate a verification rate of 99.92% of all individuals with an accuracy rate of 99.95%.

By augmenting their efforts with advanced screening, verification and monitoring for credentialing solutions, teams handling and leveraging practitioner and entity credentials can close these gaps and create a tangible competitive advantage for their organization.

A Vision of Transparency: Now a Reality

At Verisys we've observed a clear upswing in demand for transparency in health care.

As part of this movement, organizations are realizing how closing these gaps can reduce risk and protect their reputation. Tremendous benefits are also delivered by helping to better protect patients and constituents, providing a better product and experience for the health care consumer and creating a tangible competitive advantage.

Fortunately, Verisys provides a solution to make closing these gaps a reality.

Organizational professionals are well-positioned to take advantage of technology that has advanced traditional compliance, screening, verification and monitoring methods. Automation and gold-standard data platforms, like FACIS® supercharge current processes and provide end-to-end solutions. Today's leaders have used industry-specific expertise and technology to:

- Guarantee provider and entity transparency, with a 360-degree view containing both adverse and non-adverse data points.
- Link complex and incomplete data sets to create accurate and timely primary source verified profiles.
- Continuously monitor credentials and licensing for all staff and entities in near real-time
- Create a competitive advantage by making it possible for organizations to deliver full transparency and access to health care consumers.

Reduce Threats to your Patients and your Organization

As the health care industry's first and leading provider of automated data-driven screening, verification and monitoring for credentialing, Verisys provides your stakeholders with unmatched data access, quality and timeliness. Our focus on closing five key gaps and delivering three mission-critical advantages drives full transparency, compliance and reputational security when it comes to screening, credentialing, verification and monitoring:

- 1. The industry's most comprehensive data**
- 2. Proprietary technology to keep data current, instantly accessible and monitored**
- 3. Expertise, thought leadership and scalable talent to solve client needs**



About Verisys

Verisys provides a comprehensive cloud-based technology platform of data, analytics, and services that support enterprise-wide compliance in the U.S. health care industry. Verisys protects health care consumers by enforcing competency, system integrity and patient safety through provider transparency, as well as preventing fraud, waste and abuse. Verisys verifies credentials, screens and monitors millions of health care providers annually across all sectors of the health care economy.

For More Information

Verisys.com
info@verisys.com
1.888.837.4797

