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| Section:<br><b>Provider Network Management</b>   | Policy Name:<br><b>Credentialing &amp; Re-Credentialing: Organizational Providers</b>  | Policy Number:<br><b>02.03</b>            |
| Owner:<br><b>Director of Provider Network Management</b>   | Reviewed By:<br><b>Mila Todd</b>   | Total Pages:<br><b>10</b>                 |
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| Application:<br><input checked="" type="checkbox"/> <b>SWMBH Staff/Ops</b><br><input checked="" type="checkbox"/> <b>Participant CMHSPs</b><br><input checked="" type="checkbox"/> <b>SUD Providers</b><br><input checked="" type="checkbox"/> <b>MH/IDD Providers</b><br><input type="checkbox"/> <b>Other (please specify):</b><br>_____ | Line of Business:<br><input checked="" type="checkbox"/> <b>Medicaid</b> <input type="checkbox"/> <b>Other (please specify):</b><br><input checked="" type="checkbox"/> <b>Healthy Michigan</b> _____<br><input checked="" type="checkbox"/> <b>SUD Block Grant</b><br><input checked="" type="checkbox"/> <b>SUD Medicaid</b><br><input checked="" type="checkbox"/> <b>CCBHC</b> | Effective Date:<br><b>1/1/14</b>          |

**Policy:** Southwest Michigan Behavioral Health (SWMBH) and its participant Community Mental Health Service Providers (CMHSPs) will credential and re-credential behavioral health organizational providers with whom they contract and that fall within their scope of authority and action. Neither SWMBH nor its participant CMHSPs will discriminate against any provider solely on the basis of licensure, registration or certification. Neither SWMBH nor its participant CMHSPs will discriminate against health care professionals or organizations who serve high-risk populations or those that specialize in the treatment of conditions that require costly treatment.

**Purpose:** To ensure that all customers served receive care from organizational providers that are properly credentialed, licensed and/or qualified.

**Scope:** SWMBH Provider Network Management; Participant CMHSPs, network providers.

**Responsibilities:** SWMBH Provider Network Management, participant CMHSPs, and network providers will follow the requirements listed herein as it relates to credentialing.

**Definitions:**

**Civil Judgment:** 45 CFR 60.3 defines civil judgment as a court-ordered action rendered in a federal or state court proceeding, other than a criminal proceeding. This does not include consent judgments that have been agreed upon and entered to provide security for civil settlement in which there was no finding or admission of liability.

**Criminal Conviction:** The Social Security Act 1128(i) states that an individual or entity is considered to have been convicted of a criminal offense related to the delivery of a health care item or service when:



1. A judgment of conviction has been entered against an individual or entity by a federal, state, tribal, or local court regardless of whether there is an appeal pending or the conviction or other record relating to criminal conduct has been expunged. There has been a finding of guilt against an individual or entity by a federal, state, tribal, or local court; or
2. A plea of guilty or nolo contendere (no contest) by the individual or entity has been accepted by a federal, state, tribal, or local court; or
3. When an individual or entity has entered participation in a first offender, deferred adjudication, or other arrangement where conviction has been withheld.

**National Practitioner Databank (NPDB) and the Healthcare Integrity and Protection Databank (HIPDB):**

The U.S. Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Professions, Office of Workforce Evaluation and Quality Assurance, Practitioner Data Banks Branch is responsible for the management of the NPDB and the HIPDB. They can be located on the Internet at <https://www.npdb.hrsa.gov/>.

**Organizational provider:** An entity that directly employs and/or contracts with individuals to provide health care services. Examples of organizational providers include, but are not limited to, community mental health services programs (CMHSPs); hospitals; nursing homes; homes for the aged; psychiatric hospitals, psychiatric units, and partial hospitalization programs; substance use disorder programs; and home health agencies.



## **Standards and Guidelines:**

### **A. MDHHS Community Mental Health Services Program (CMHSP) Credentialing (Universal Credentialing)**

1. SWMBH, its participant CMHSPs and network providers shall cooperate in the implementation and use of the MDHHS CMHSP Credentialing Program (commonly referred to as “Universal Credentialing”).

### **B. Timeframes for Credentialing and Re-Credentialing Organizational Providers**

1. Initial credentialing of all organizational providers applying for inclusion in the SWMBH network must be completed within 90 calendar days.
  - a. The 90-day time frame starts when SWMBH or the participant CMHSP has received a completed, signed and dated credentialing application from the organizational provider.
  - b. The completion time is the date when written communication is sent to the organizational provider notifying them of SWMBH or the participant CMHSP’s decision.
  - c. Primary source verification must be completed within the 180 days preceding the credentialing decision date.
2. Re-credentialing shall occur at least every three (3) years.
3. During initial credentialing and at re-credentialing, SWMBH and its participant CMHSPs will ensure that organizational providers are notified of the credentialing decision in writing within 10 business days following a decision. In the event of an adverse credentialing decision, the organizational provider will be notified of the reason(s) in writing and of their right to and process for appealing/disputing the decision in accordance with SWMBH Policy 2.14.

### **C. Organizational Provider Assignments**

1. SWMBH is responsible for credentialing/recredentialing the following organizational provider types, on behalf of the Region:
  - a. Substance Use Disorder
  - b. Psychiatric Inpatient
  - c. Crisis Residential
  - d. Autism Services
  - e. Financial Management Services
  - f. Specific Specialized Residential service providers as determined by the Regional Provider Network Management Committee
2. Participant CMHSPs are responsible for credentialing/recredentialing all other organizational provider types for inclusion in each participant CMHSP subcontracted network of providers.
3. SWMBH retains the right to approve, suspend, or revoke/terminate from participation in the provision of Medicaid funded services, any provider (organizational or practitioner) in the Region 4 network (including participant CMHSP network providers), regardless of whether SWMBH or a participant CMHSP performed the credentialing activities.

### **D. Requirements for Credentialing and Re-Credentialing Organizational Providers**

1. Before executing an initial contract and at least every three (3) years thereafter, SWMBH and its participant CMHSPs will validate the standards contained in the table below, for organizational providers wishing to provide contracted services in the SWMBH network.
2. During initial credentialing and at re-credentialing, SWMBH or participant CMHSPs will submit credentialing packets along with primary source verifications and other supporting documentation to its Credentialing Committee for a decision regarding inclusion in the SWMBH Provider Network. Packets will



be reviewed for completeness prior to any Committee meeting. If files meet clean file criteria in every category listed, the Medical Director (or designee) of the agency completing the credentialing may sign off to approve the provider, in lieu of review and decision by the Credentialing Committee. See SWMBH Policy 2.04 Clean Credentialing and Re-credentialing Files for additional information.

- Credentialing and recredentialing files and supporting documentation shall be maintained in accordance with SWMBH Policy 2.05.

| Credentialing Standard   | Verification Method   | Clean File Criteria  | Required for Initial Credentialing? | Required for Re-credentialing? |
|--|---|--|-------------------------------------|--------------------------------|
| Completed Universal Credentialing application within the Customer Relationship system (CRM) or SWMBH Organizational Credentialing Application (as applicable) signed and dated by an authorized representative of the organizational provider. | Review of completed Organizational Credentialing Application.   | Complete, signed application with no positively answered attestation questions.  | Yes                                 | Yes                            |
| The organizational provider is licensed or certified and in good standing as necessary to operate in the state.  | State License verification (LARA)<br>Certification verification (certifying entity)<br>Record of any violations or special investigations | Current valid license/certification;<br>No license/certification violations and no special state investigations within the most recent five (5) years for initial or three (3) years for re-credentialing. | Yes                                 | Yes                            |
| Accreditation by a national accrediting body, if obtained.<br><br>Accreditation is <b>required</b> for Substance Use Disorder (SUD) treatment providers  | Proof of accreditation by any of the following:<br>CARF<br>Joint Commission<br>DNV Healthcare<br>NCQA<br>CHAPS<br>COA<br>AOA              | Full accreditation status during the last accreditation review.  | Yes                                 | Yes                            |



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| and Inpatient providers.   |   |  |            |  |
| <p>If the organizational provider is not accredited (and is not required to be), an on-site or alternative quality assessment is conducted by SWMBH or CMHSP prior to contracting.</p> <p>An on-site quality assessment is <b>required</b> for Specialized Residential sites (homes). The parent organization’s accreditation does not eliminate this requirement.</p> | <p>On-site quality assessment (can be from another Region as part of Credentialing Reciprocity) OR Alternative quality assessment for solely community-based providers (i.e. no “site” to perform an on-site review)</p>  | <p>No plan of correction resulting from the on-site/alternative quality assessment.</p>  | <p>Yes</p> | <p>No</p>  |
| <p>Primary source verification of the past five (5) years of civil judgments or malpractice claims.</p>  | <p>National Practitioner Data Bank (NPDB) Query<br/>Verification from provider’s malpractice insurance carrier</p>  | <p>No malpractice lawsuits and/or civil judgments related to the delivery of a health care item or service within the last five (5) years.</p>   | <p>Yes</p> | <p>Yes</p>   |
| <p>The organizational provider, and any individuals listed as a “Screened Person” under SWMBH Policy 10.13, are not excluded from participation in Medicare, Medicaid, other federal contracts, and are not excluded from participation through the MDHHS Sanctioned Provider list.</p>  | <p>CMS Sanctioned Provider List: <a href="https://exclusions.oig.hhs.gov">https://exclusions.oig.hhs.gov</a></p> <p>MI Sanctioned Provider List: <a href="http://www.michigan.gov/MDHHS">www.michigan.gov/MDHHS</a> (Providers &gt; Information for Medicaid Providers &gt; List of Sanctioned Providers)<br/>System for Award Management (SAM): <a href="https://sam.gov">https://sam.gov</a></p> <p><b>**Checked during initial credentialing and monthly thereafter via monthly sanctioned provider screenings**</b></p> | <p>Initial Credentialing: Organizational provider and any “Screened Persons” are not listed as excluded or sanctioned.</p> <p>Recredentialing: Monthly sanctioned provider monitoring results from initial credentialing through recredentialing show the organizational provider and any “Screened Persons” are not listed as</p> | <p>Yes</p> | <p>Yes – monthly sanctioned provider screening results</p> |



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|   |   | excluded or sanctioned.   |     |  |
| Organizational provider's current insurance coverage meets contractual expectations.  | Copy of the organizational provider's liability insurance policy declaration sheet.   | Current insurance coverage meets contractual requirements.  | Yes | Yes  |
| A quality review is completed at recertification.   | Documented review of the following: <ul style="list-style-type: none"> <li>• Grievances &amp; appeals</li> <li>• Recipient Rights complaints/investigations</li> <li>• Customer services complaints</li> <li>• Program Integrity &amp; Compliance Investigations</li> <li>• MMBPIS or other applicable performance indicators</li> <li>• The most recent annual site review/monitoring report.</li> </ul> | Grievances & appeals, recipient rights, and customer services complaints are within the expected threshold given the provider's size; there has been no substantiations of credible allegations of fraud; MMBPIS and other performance indicators substantially meet set standards (if applicable). | No  | Yes  |
| The organizational provider is enrolled in the MDHHS CHAMPS System.   | Verification of CHAMPS enrollment.  | Organization is enrolled in CHAMPS.   | Yes | Yes  |
| If the organizational provider seeks to contract to provide services/programs that require MDHHS certification, the organizational provider has already obtained MDHHS certification. (Crisis Residential, Clubhouse, SUD ASAM Level of Care, etc.) | Verification of program/service certification by MDHHS.   | Applicable programs/services have MDHHS certification   | Yes | Yes  |
| Any other standards applicable to the organizational provider type of services.   | As needed depending on the applicable standard(s).  | As needed depending on the applicable standard(s).  | Yes | As needed depending on the applicable standard(s). |



#### **D. Temporary/Provisional Credentialing Process**

- a. Temporary or provisional status can be granted one time to organizations until formal credentialing is completed. Temporary or provisional credentialing should be used when it is in the best interest of Medicaid members to have providers available to provide care prior to formal completion of the entire credentialing process.
- b. **Timeframes.**
  - i. A decision regarding temporary/provisional credentialing shall be made within 31 days of receipt of a complete application and the minimum documents listed below.
  - ii. Temporary/provisional credentialing status shall not exceed 150 days, after which time the credentialing process shall move forward according to this credentialing policy.
  - iii. Primary source verification must be completed within the 180 days preceding the provisional credentialing decision date.
- c. **Requirements.**
  - i. Standard Requirements.
    1. Providers seeking temporary or provisional status must complete the current approved SWMBH Organizational Credentialing Application, signed and dated by an authorized representative.
    2. SWMBH and/or Participant CMHSPs shall perform verification from primary sources of:
      - a. Current valid license or certification and in good standing as necessary to operate in the State of Michigan.
      - b. National Practitioner Databank (NPDB)/Healthcare Integrity and Protection Databank (HIPDB) query or, in lieu of the NPDB/HIPDB query, all of the following:
        - i. Minimum five (5) year history of professional liability claims resulting in a judgment or settlement; and
        - ii. Disciplinary status with regulatory board or agency.
      - c. Medicare/Medicaid sanctions (OIG, SAM, and Michigan Sanctioned Provider lists)
      - d. CHAMPS Enrollment.
    3. SWMBH and/or Participant CMHSPs shall evaluate the organizational provider's continuing operation as a provider for the prior five (5) years. Gaps in operation of six (6) months or more in the prior five (5) years must be addressed in writing during the application process.
  - ii. Requirements Specific to Accreditation and CHAMPS enrollment.
    1. Temporary or provisional status may be considered for organizational providers that are required to be accredited while their accreditation is pending, only with written permission from MDHHS and SWMBH.
      - a. Accreditation is a precursor requirement for some provider types to securing a Medicare Number, which is a precursor requirement to CHAMPS enrollment. This means that some providers who are awaiting accreditation will not yet be enrolled in CHAMPS.
    2. Temporary or provisional status may be considered for organizational providers that are not yet enrolled in CHAMPS, only with written permission from MDHHS and SWMBH.
      - a. If temporary or provisional credentialing status is approved for an organization provider who is not yet enrolled in CHAMPS, contracts with that organizational provider may not exceed 120 days, and must terminate immediately after the 120-day time period, unless either of the following occurs:
        - i. Written permission by MDHHS to extend the contract beyond the 120-day limit; or
        - ii. Verification of the organizational provider's enrollment in CHAMPS.



- d. SWMBH/Participant CMHSPs shall follow the same process for presenting provisional credentialing files to the Credentialing Committee as it does for its regular credentialing process. Temporary/Provisional credentialing decisions shall be made by the applicable entity's Credentialing Committee and not through the clean file process.

**E. Credentialing Reciprocity (Deemed Status).**

- a. **Out of Region.** SWMBH and its participant CMHSPs may accept credentialing activities conducted by any other Region in lieu of completing its own credentialing activities. If SWMBH chooses to accept the credentialing activities of another Region, copies of the credentialing Region's decision shall be maintained in the SWMBH/Participant CMHSP credentialing file.
- b. **In Region.** SWMBH and its participant CMHSPs shall work collaboratively to reduce the burden on shared network providers (providers that contract with two or more participant CMHSPs) by coordinating credentialing/recredentialing activities to ensure, to the extent practicable, that shared providers in the SWMBH network only complete credentialing/recredentialing through a single participant CMHSP or SWMBH, and that those credentialing/recredentialing results are shared with the Region.
- c. **Reciprocity Procedure.** When accepting credentialing activities performed by another Region or another in-Region entity, SWMBH and its participant CMHSPs shall follow the SWMBH Procedure 02.03.01 – Credentialing Reciprocity.

**F. Organizational Provider credentialing of its direct employees and contractors.**

- a. Organizational providers may be held responsible for credentialing and re-credentialing their direct employees and subcontracted professional service providers per SWMBH or SWMBH participant CMHSP contractual requirements.
- b. Organizational providers shall maintain written credentialing/re-credentialing policies and procedures consistent with SWMBH and MDHHS credentialing policies and any other applicable requirements.
- c. Organizational providers shall perform credentialing/re-credentialing activities in accordance with applicable contractual requirements, SWMBH policies and procedures, MDHHS policies and procedures, and any other applicable requirements.
- d. SWMBH or a participant CMHSP shall verify through annual on-site reviews and other means as necessary that the organizational provider's credentialing practices meet applicable policies and requirements.

**G. Reporting Requirements.**

- a. **Routine.**
  - i. Participant CMHSPs shall submit a monthly credentialing report to SWMBH, utilizing the MDHHS credentialing report template.
  - ii. SWMBH shall submit quarterly reports to MDHHS at the timeframes referenced in the MDHHS-PIHP Master Contract Schedule E, utilizing the MDHHS credentialing report template.
- b. **Ad hoc.**
  - i. Participant CMHSPs shall promptly report to SWMBH's Director of Provider Network information about an organizational provider which could result in suspension or termination from the SWMBH network, including but not limited to:
    - 1. Known improper conduct (e.g. fraud, threats to member health and safety, etc.);
    - 2. Positive sanctions/exclusions screening results, in accordance with SWMBH Procedure 10.13;
    - 3. Any other information that may affect the organizational provider's status as a SWMBH network provider.
  - ii. SWMBH shall report any known improper conduct of an organizational provider which could result in suspension or termination from the SWMBH network in accordance with applicable SWMBH policies and





to the applicable regulatory authority (MDHHS, MI OIG, MI AG, provider's governing board, etc.).

**Procedures:** SWMBH Operating Procedure 2.03.01 Credentialing Reciprocity

**Effectiveness Criteria:** N/A

**References:**

MDHHS-PIHP Contract Schedule A, Section 1(O)(1)  
MDHHS BPHASA Credentialing and Re-Credentialing Processes  
BBA § 438.214  
SWMBH Policy 2.18  
SWMBH Policy 2.04  
SWMBH Policy 2.05  
SWMBH Procedure 10.13

**Attachments:**

2.03A SWMBH Organizational Credentialing Application  
2.03B SWMBH Organizational Credentialing Checklist



### Revision History

| Revision # | Revision Date | Revision Location        | Revision Summary  | Revisor                  |
|------------|---------------|--------------------------|---|--------------------------|
| 1          | 5/18/15       | N/A: before new template | N/A: before new template  | N/A: before new template |
| 2          | 12/1/16       | N/A: before new template | N/A: before new template  | N/A: before new template |
| 3          | 12/1/17       | N/A: before new template | N/A: before new template  | N/A: before new template |
| 4          | 12/14/18      | N/A                      | Annual Board approval as required by MDHHS contract   | Mila Todd & SWMBH Board  |
| 5          | 01/10/20      | N/A                      | Annual Board approval as required by MDHHS contract   | Mila Todd & SWMBH Board  |
| 6          | 09/28/21      | Paragraph E              | Added Reporting Requirements  | Mila Todd                |
| 7          | 11/12/21      | N/A                      | Annual Board approval as required by MDHHS contract   | Mila Todd & SWMBH Board  |
| 8          | 02/10/23      | Multiple                 | Revised entire policy to ensure alignment with revised MDHHS Credentialing Policy, and to add specificity around Quality checks and Reciprocity process.      | Mila Todd                |
| 9          | 03/17/23      | N/A                      | Reviewed by Regional PNM Committee  | Mila Todd                |
| 10         | 10/13/23      | N/A                      | Annual Board approval as required by MDHHS contract   | Mila Todd & SWMBH Board  |
| 11         | 02/07/25      | Throughout               | Updated policy to include MDHHS universal credentialing; updated recredentialing timeframe to 3 years; updated/reformatted credentialing/recredentialing grid | Mila Todd                |
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# 02.02 Credentialing Re-Credentialing - Behavioral Health Practitioners

Final Audit Report

2025-03-13

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## "02.02 Credentialing Re-Credentialing - Behavioral Health Practitioners" History

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