Vendor Credentialing as a Corporate Function; What You Don’t Know Can Hurt You

In this thought leadership series, Ken Carson, a Principal Technology Analyst with The Edenfield Group, interviewed two industry experts in hospital vendor credentialing.

Sonya Harrison is Manager of Sales Operations for Ethicon Endo-Surgery, Inc., a medical device and surgical instrument company. Sonya has 14 years of experience in the life science and medical device industry and is currently responsible for hospital vendor credentialing, as well as fleet, asset and sample management for the field sales organization.

Jennifer Nickle is the Director of Vendor Services for Vendormate’s Credentialing Consulting Services group. She has 17 years of experience in the medical device industry, including product management, sales training and contract management, as well as holding a full-time role in hospital vendor credentialing at her previous company.

In these highly informative interviews, Sonya Harrison and Jennifer Nickle share their professional expertise in areas of most concern for vendors. They will speak to:

» How to create an efficient credentialing program

» Best practices in credentialing

» Why credentialing needs to be a corporate function

» Resources available to vendors who are implementing or managing a credentialing program

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In the first half of this interview, Sonya Harrison shares her industry expertise from the perspective of a very large organization, Ethicon Endo-Surgery, Inc., a medical device and surgical instrument company.

Sonya, how is Ethicon Endo-Surgery responding to the vendor credentialing requirements from their healthcare customers and what are some of the challenges for a large organization such as Ethicon Endo-Surgery?

At Ethicon Endo Surgery, we work with partners from other internal operating companies to share best practices. Several of the credentialing requirements were already a part of the company’s internal compliance program; therefore no major changes were required. The challenge exists with no standardization between healthcare customers. No two are alike and all have their own vision on what the standard should be.

Sonya, should credentialing be a corporate function?

Credentialing is a corporate function at Ethicon Endo-Surgery, and I’m quite sure it is at other large companies as well. We have our own compliance programs and adherence to those programs gives us the opportunity to ensure our associates are in compliance internally. If they are in compliance internally, it’s relatively easy to be in compliance externally.

Can it affect a company’s reputation with their customers?

Absolutely, if you don’t have an internal compliance program, formalized training or some sort of credentialing process, there may be doubt externally about your ability to conform to healthcare facility compliance programs. At Ethicon Endo-Surgery we do have those formalized training processes which include the basic credentialing requirements; as well as healthcare compliance and privacy requirements and ensure that each associate is in compliance on an annual or biannual basis, depending on the training.

Without corporate visibility and accountability, sales reps can inadvertently sign documents that create legal obligations for the company.

Sonya, what are some best practices that Ethicon Endo-Surgery has in place to ensure this type of event does not occur?

At Ethicon Endo Surgery, what we have, as a result of sharing best practices within our internal credentialing task force, is a credentialing toolkit. This is a step-by-step guide on the basic requirements for accessing a hospital facility. It provides the five “W”s, as in Who, What, When, Where and Why and guides you through the process of what’s required, how to access it internally and who to contact for additional information. From an industry-wide perspective, signing documents inappropriately is a very serious problem that could lead to unforeseen legal issues. Quite often associates are asked to sign generic documents and much of the time, these documents, as well as some of the training, do not apply. This is a key area in which we would benefit from industry wide standards.

An unexpected crisis occurs when a sales rep can’t keep an appointment because they lack a key piece of credentialing documentation.
Sonya, how does your organization ensure that this happens as rarely as possible?

Unexpected crisis are rare, but do occur. This is where teamwork and partnership come into play. It’s teamwork because the sales associate has a person to call internally to immediately help them. In our case, I am their “go to” person. Additionally, the credentialing toolkit also has most of the answers.

However, there are times when external immediate assistance is required. This is where I become the conduit between, the associate, the document, the hospital facility and the credentialing company. This is where a great partnership with the vendor credentialing company comes into play. With those great partnerships, I’m able to immediately send the required document to the vendor credentialing company who then uploads the document to the rep’s profile. The profile is immediately approved and the associate gains access to his/her appointment.

Sonya, what kind of systems and/or process have you put in place to help comply with vendor credentialing? Can you share your thoughts on best practices?

Best practices include having the credentialing toolkit, cross communication with internal partners and great partnerships with vendor credentialing companies – particularly one that provides an assigned point of contact who understands your needs, the requirements and can recommend solutions. That best practice combination will always lead to a successful outcome, less stress or administrative burden on the associate and a compliant customer for the hospital facility.

In the second half of this interview series, Jennifer Nickle shares her experience as Director of Vendor Services at Vendormate’s Credentialing Consulting Services group. Jennifer’s experience in consulting with a wide range of medium and large clients provides a comparative perspective.

Jennifer, can you talk about the changing healthcare provider landscape and the drivers creating the need for credentialing?

We see two major factors creating a demand for credentialing. One is the increasing necessity of meeting the standards for quality care that are set by several healthcare organizations and governing bodies. The second is the need for hospitals to control costs by more actively managing their vendors and limiting their exposure to fines and sanctions.

Several associations such as The American College of Surgeons (ACS), the Joint Commission and Association of Operating Room Nurses (AORN) have voiced their concerns about the quality of patient care and the influence of vendors in medical facilities. This has led hospitals and healthcare facilities to ensure everyone walking through their doors is properly trained and immunized, thereby reducing risk to patients within their facilities.

Hospitals are also taking a more proactive role in knowing exactly who their partners are, how they conduct business and if that business is a healthy one. This really drives the value of a credentialing program, particularly when it comes to regulatory compliance. For example, hospitals are prohibited from making payments to anyone who employs or contracts with anyone on the Health and Human Services (HHS) Office of the Inspector General (OIG) sanction lists. In an effort to address these requirements, hospitals are either creating their own credentialing programs or more conveniently, turning these checks over to third-party credentialing companies.
Jennifer, what are some of the biggest challenges that vendors face as they grapple with the issue of credentialing?

As hospitals began creating their credentialing programs, they quickly turned to the vendors and held them accountable for meeting these credentialing requirements. All of this came about pretty rapidly and vendors weren’t prepared to handle this challenge. Many of them had difficulty – and still have difficulty – adopting credentialing as part of their normal business practice.

Often, vendors let the reps handle credentialing or will add credentialing responsibilities to an existing staff role – generally in sales and marketing or perhaps compliance. The challenge, of course, is that the assigned staff member has other priority responsibilities, so credentialing becomes a secondary role and does not always receive the needed attention.

Often, key managers in the vendor organization do not understand how important credentialing is to their hospital customers – until they start to feel a financial impact. It’s only when poor credentialing stops sales reps dead in their tracks that the company actually feels the pain. In line with this trend, we’re seeing companies dedicate more resources to credentialing to ensure their sales cycles – and revenue – are not impacted.

Still, as a practical matter, there are several challenges the credentialing process presents for its administrators (those staff who are actually charged with the function of credentialing). They may spend significant time emailing and uploading documents for sales reps, particularly if they do not have specialized credentialing software for storing and sharing documentation. With no formal industry standard, it’s often a struggle just to keep up with hospital requirements. It’s a constantly shifting landscape for the administrator, so efficiency is critical.

Jennifer, how can credentialing impact a company’s business initiatives?

Credentialing can impact a company’s business in several ways – financially, legally and efficiency-wise. If a formal, streamlined process is not in place, staff resources are certainly affected. Sales productivity can be impacted if reps are constantly chasing credentials. “Chasing credentials” often happens when requirements to do business with hospitals are not clearly defined up front.

For example, a rep may get a couple of vaccinations and load those into a credentialing system. Then they realize that certain hospitals require additional ones. So, it’s another trip to the clinic and more paperwork to upload. You can see how clearly defining requirements up front could save reps time, enabling them to stay focused on the sale.

Of course, there are also ramifications of reps signing off on hospital policies without corporate guidance. This can be a very serious problem, depending on the type of policy signed. They may inadvertently expose the company to legal obligations or liabilities.

Jennifer, what are the key components for having a successful credentialing program that protects the company’s assets?

One major component is to have a credentialing program that is centrally run and is recognized by the company as a corporate function. The program should be formalized and streamlined so there is a clearly defined process for implementing it throughout the company. More importantly, the program should have buy-in from key departments.

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across the organization. Basically everyone is in agreement about the value to the company and don’t leave it up to individual reps. Speaking specifically to corporate compliance, all reps should follow the same standards and best practices the company mandates. In our experience, the most successful credentialing programs are endorsed by senior management. This ensures buy-in and some level of accountability across the organization. Everyone is on the same page and reps aren’t left to struggle with knowing requirements or not knowing what processes to follow for credentialing.

A great way to manage credentialing and avoid some common pitfalls is to include credentialing as a component of the company’s on-boarding process. We find that reps who are educated on the company’s credentialing requirements and stance upfront can more easily accept that this (being credentialed) is just part of being a salesperson with company X.

This also reduces “down-the-road” tasks for credentialing administrators or reps, positioning them to just handle future renewal requirements and credentialing “outliers” – in other words, the differing documentation required by specific healthcare organizations. Again, we’re cutting back on the time reps spend chasing credentials. This is a best practice that can provide the company with tighter control—and keep their reps in the field selling.

Jennifer, for companies needing additional resources or expertise to manage or start a credentialing program, what are the services that Vendormate’s Credentialing Consulting Services group provides?

It’s entirely up to companies when it comes to how they want to engage us and the expertise we’ve garnered from partnerships with 1,300 healthcare facilities and 50,000 vendors of all sizes. We can help them on a project-specific basis; we can help them setup strategies for improving an existing program; or, we can help them build and launch their first program.

We start by setting up a consultation to define a company’s credentialing needs and then jointly develop a strategy. From there, we’ll determine next steps for working toward and ensuring rep compliance.

These steps may be as simple as using Vendormate to load required rep documents or as complex as enabling us to be a full-service credentialing advisor and administrator to the program – relieving the entire burden of credentialing from their staff.

Ultimately, our goal is to work with companies to develop a streamlined credentialing office that works for all stakeholders and ensures sales reps are credential- and sales-ready as they approach hospital customers.

More specific examples of services Vendormate provides are as follows:

- We can use our secure database which centralizes and stores all documents for a company’s reps. Our system automatically shares the reps documents with all Vendormate healthcare facilities—saving reps or administrators a lot of time. Additionally, our system makes it easier for reps documents to share their documents with other vendor credentialing organizations.

- We can assist with training classes that encompass best practices for vaccinations and background checks, as well as proven-successful policies for managing these requirements.

- We can run compliance and participation reports to provide quick insight into which reps are compliant, the hospitals where they have registered and how they’ve participated in the hospital’s program. It’s a great way to manage by exception or by rep territories.

- For companies that already have a dedicated administrator, we can provide simple assistance in creating or streamlining a credentialing program.
In short, Vendormate will meet a company wherever they are in the credentialing process and implement plans that are right for their business. While we find that no two companies are alike in their needs, we have definitely found some common ground and standards that consistently drive efficiency, keep reps in the field selling and lessen the company’s liability.

**HOW TO CREATE AN EFFICIENT CREDENTIALING PROGRAM**

We’ve heard from both experts that having a centralized resource is one of the elements for creating efficiency. Centralization means having a single point of internal contact for the field sales force. Further efficiency is created when that internal resource has established lines of communications and protocols both within the organization and within the field sales force.

Jennifer Nickle noted that increased efficiency can be achieved when sales reps are trained on the company’s policies, procedures, training requirements and required documentation during the on-boarding process.

**BEST PRACTICES IN CREDENTIALING**

Both experts offered details on proven best practices. Defining and standardizing policies and procedures at the outset of a credentialing program is key. Both experts agreed that standardization is a best practice. Jennifer Nickle added that all sales reps should be held accountable to the standards and best practices the organization has set rather than being left to handle credentialing on their own.

Sonya Harrison shared the innovative idea of providing each rep with a vendor credentialing toolkit. It may be possible that smaller organizations could adapt this concept as part of their credentialing program.

**WHY CREDENTIALING NEEDS TO BE A CORPORATE FUNCTION**

Our experts were in agreement that credentialing should be a corporate function. Sonya Harrison indicated that for Ethicon Endo Surgery, Inc. and many other large organizations, it already is a corporate function. She also noted that if credentialing is not a corporate function, it could leave hospital customers with the impression that compliance is of little concern to their business partner.

Her comment is a reminder that in a highly competitive and increasingly regulated sales environment, vendors cannot afford to create negative impressions of any type. Instead, it’s about showing ease of doing business with you, a trusted partner, as a differentiating factor.

Jennifer Nickle noted some of the issues and problems that can occur when credentialing is not a corporate function. She coined the phrase that sales productivity can be impacted when reps are spending time “chasing credentials.” She also mentioned the potential for creating legal obligations or liabilities when reps inadvertently sign hospital documents that are not cleared at a corporate level.
RESOURCES AVAILABLE TO VENDORS WHO ARE IMPLEMENTING OR MANAGING A CREDENTIALING PROGRAM

As one of the leading vendor credentialing companies, Vendormate is leveraging their many years of experience in credentialing to assist companies with a wide range of services, from simple projects to program set-up, enhancement or administration.

In addition to their business and credentialing process expertise, Vendormate also has relationships with 1,400 healthcare facilities nationwide.

ABOUT VENDORMATE

Based in Atlanta, GA, Vendormate provides technology solutions that improve the relationships among healthcare providers and sellers. Vendormate’s unique philosophy bridges suppliers and buyers, giving both increased transparency and information control. With Vendormate tools and vendor credentialing consulting, healthcare providers and healthcare vendors can manage vendor rep credentialing, including risk and compliance documentation.

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