WHAT IS VENDOR CREDENTIALING?
Vendor credentialing refers to the practice of patient care centers implementing requirements that vendors must satisfy to enter or work in the healthcare institution. These requirements can take a variety of forms (ID Badges, proof of vaccinations, criminal background checks, HIPAA compliance). Annual fees for credentials can be between $100 to $700 per individual.

The complexity and size of many hospitals, and a rise in occupational health issues, on site accidents, medical errors, and litigation, have increased the need for managers to know who is entering their facilities.

ISSUE BACKGROUND & IMPACT
Given the wide range of representatives doing business with hospitals, the proliferation of credentialing requirements is posing challenges.

Supplier representatives interact with providers and patients on a range of levels and with varying degrees of risk. As such, credentialing requirements should be structured accordingly. Unfortunately, many credentialing requirements do not fully differentiate between the level of patient or provider access a vendor may have. Many vendor representatives who have little or no access to providers or patients – e.g., medical-surgical products distributor representatives or office supply vendors – must pay for the same credentials that a manufacturer representative who assists a physician in surgery is required to have.

This one-size-fits-all approach does little to ensure patient safety. Indiscriminate requirements raise issues of redundancy across institutions and create compliance and risk management challenges for companies doing business with numerous hospitals with varying requirements. These challenges drive up cost and price pressure throughout the supply chain as companies pay to comply with these blanket requirements.

THE NEED FOR CHANGE
It is imperative that consistent and effective credentialing criteria be established to reduce duplication and cost inflation. Given patient safety concerns being voiced by hospitals, credentialing requirements should be based on the level of patient interaction a vendor has, not simply on the fact that they are doing business with the hospital. Credentialing standards that are not based on the vendor’s level of patient interaction will almost certainly fail to meet the goal of ensuring patient safety.

Due to the variability in current requirements, we recommend consistent nationwide credentialing requirements that appropriately categorize industry vendors into three areas: 1) Clinical, 2) Non-clinical, and 3) Administrative. It is important to ensure that any system that is implemented includes an effective vendor monitoring system in order to protect patients and employers. Twenty percent of all addresses change every year and 18 percent of phone numbers are changed or disconnected annually.

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<th>Healthcare Industry Representative – Credentialing Levels</th>
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<td><strong>LEVEL I: Clinical Healthcare Industry Representative</strong> – These individuals require regular access to patient care areas such as the operating room or catherization laboratory. These individuals typically demonstrate products, provide technical training and information and perform other duties on behalf of their company with respect to medical products in the hospital or laboratory setting.</td>
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<td><strong>LEVEL II: Non-Clinical Healthcare Industry Representative</strong> – These individuals DO NOT require regular access to patient care areas. The typical roles include: delivery, reimbursement support, administering clinical trials, research and development, and product assessment.</td>
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<td><strong>LEVEL III: Administrative Representative</strong> – These individuals DO NOT come into contact with patients or patient areas. These representatives interact with administrative managers and executive team members.</td>
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Credentialing Requirements [Based on the Level of Patient Interaction]:

LEVEL I: Clinical Healthcare Industry Representative—These individuals require regular access to patient care areas such as the operating room or catheterization laboratory. These individuals typically demonstrate products, provide technical training and information and perform other duties on behalf of their company with respect to medical products in the hospital or laboratory setting.

LEVEL II: Non-Clinical Healthcare Industry Representative—These individuals DO NOT require regular access to patient care areas. The typical roles include: delivery, reimbursement support, administering clinical trials, research and development, and product assessment.

LEVEL III: Administrative Representative—These individuals DO NOT come into contact with patients or patient areas. These representatives interact with administrative managers and executive team members.