

# *Embittered backlog*

HEALTH PLAN CREDENTIALING DELAYS AFFECT PHYSICIANS, PATIENTS

**S**tarting a new independent medical practice should be an exciting time for a physician. “We began this practice two months ago. We have a brand-new office at a brand-new location. Everything is new,” said a Dallas area primary care physician who requested anonymity. Yet this exciting new endeavor has quickly turned into a nightmare for the physician and her partner.

They began their credentialing process through UnitedHealthcare (UHC) back in March at the same time they started the process with other major insurers. As of today, they have been credentialed with every health plan with which they contract except for UHC.

“Lots of patients with UHC call our office, and we have to tell them no,” she says. The practice’s bills steadily mount while it continues to turn away UHC-insured patients. “As a small practice, every patient matters for us. We are draining our bank accounts to pay for our overhead.”

Amy Cooney, chief operating officer of Southwest Physician Associates (SPA), an independent practice association (IPA) in Dallas, empathizes with the physicians who are waiting months to be assigned in-network effective dates with UHC. “Our outstanding effective dates with UHC date back to February, the longest outstanding request for effective dates than from any other insurer,” she said in September.

The Texas Medical Association’s Payment Advocacy Department has received complaints from several physicians that three of the state’s biggest health plans — UHC, Aetna, and Blue Cross and Blue Shield of Texas (BCBSTX) — are taking six to eight months to credential physicians. The process typically takes an average of three to four months. The credentialing process encompasses obtaining hospital or facility privileges, as well as successfully enrolling in health plans as a participating physician. Without successful credentialing, physician payment for medical services can be delayed and even denied. (See “You Can Get Paid During Credentialing Process,” page 49.)

The experience is frustrating, and the story of the two Dallas-area physicians wrangling with UHC is not an isolated one. Physicians across Texas have been struggling to get in network with health plans for years. In some cases, the entire process from credentialing to getting “loaded” into an insurer’s computer system is taking up to a year, and clinicians say the health plans have been largely unhelpful in their attempts to complete the credentialing process in a timely manner.

When asked about the long credentialing time frame, UHC representative Dustin Clark said, “The average time to credential physicians in Texas over the last three months has decreased to 15 days.”

The Dallas-area physicians who are attempting to finish credentialing with UHC are incredulous. They say they would have loved to get in network in that time frame. “If that were the case, maybe we would be seeing some sort of profits.”

*“If we can’t see patients, we might have to shut down.”*

***“Physicians are not in the insurance business; they are in the medicine business.”***

If you're experiencing delays in the credentialing process, contact TMA's Hassle Factor Log (members only) by visiting [www.texmed.org/hassle](http://www.texmed.org/hassle). (See “TMA Helps You Get Paid,” page 52.)

#### **A PAINFUL PROCESS**

The lagging credentialing process doesn't appear to be unique to a single physician group or a certain type of practice. TMA Associate Vice President of Health Policy Genevieve Davis knows this better than anyone. She says TMA receives “several calls and emails every month about this issue. With some of the health plans, it has been a systemic issue for well over two years.”

In the 2016 TMA Physician Survey, multiple physicians reported frustratingly long credentialing processes. Although all of the Aetna, UHC, and BCBSTX credentialing stories from physicians vary — some insurers take a long time sending out contracts while others are slow to provide internal physician identification numbers — a single thread connects them. Physicians have reached an agreement with an insurance company and are still unable to see patients through the health plan due to what essentially amounts to data entry delays.

Patti Searles, executive director of Texoma Independent Physicians, handles credentialing processes for many clinicians and health professionals. She says the credentialing timelines have been a huge problem for many physicians who simply want to be in network.

“Physicians are not in the insurance business; they are in the medicine business. The last thing that I want my physician worrying about when I need care is what insurance I have,” Ms. Searles said.

But this is increasingly becoming the norm in Texas. Because new physicians often come out of residency in

June, the long credentialing timelines are particularly conspicuous in the summer and early fall.

“For all new physicians, cash flow is essential. Practice start-up is a difficult process, and if you add in not getting paid for the work you are doing for more than six months, you are dead in the water before you start,” Ms. Searles said.

#### **MORE QUESTIONS THAN ANSWERS**

The question many physicians are left with when battling to get in network is, why? Keith Bourgeois, MD, chair of TMA's Task Force on Balance Billing, points out that once insurers deem a physician worthy of participating in the health plan network, there should not be any delay.

“At that point, all of the hard parts have been worked out. They've come to an agreement. Why, then, is it taking so long?” asked Dr. Bourgeois, a former chair of TMA's Council on Socioeconomics.

Unfortunately, much like UHC, BCBSTX and Aetna are tight-lipped on the reason for the delay. When asked about the long credentialing timeline, Esteban Lopez, MD, BCBSTX chief medical officer and Southwest Texas market president, responded that he was unable to address the reports TMA has received without specifics. “From receipt of the complete application, the credentialing process for physicians at BCBSTX takes, on average, 30 calendar days.”

Dr. Lopez suggests the majority of applications BCBSTX receives are incomplete, and complete information is necessary to begin the credentialing process.

Ms. Searles is skeptical that incomplete applications are the source of the delay for most physicians. Since BCBSTX obtains the majority of physician information from the Council for Affordable Quality Healthcare (CAQH)



**TMA's Hassle Factor Log program:** [www.texmed.org/hassle](http://www.texmed.org/hassle)

ProView, a database of standardized electronic profiles, all information is typically complete and up-to-date per CAQH requirements. (See “Coming Soon: Credentialing Help from TMA,” page 50.)

Many physicians highlight delays occurring at other points in the credentialing process. Before doctors can even begin the process with BCBSTX, they must apply for a provider record number (PRN). In the past, that process used to take less than two weeks. Now, Ms. Searles reports it can take up to four months. Since physicians can’t move into the credentialing phase without this number, it is possible that some health plans don’t count this additional delay toward the time from application to credentialing.

Ms. Cooney at SPA says she credentials several physicians each month through many different health plans. Twice a month, she receives a roster from Aetna that lists all of the physicians who have credentialing applications in process. About half of those physicians, she says, will be given effective dates, signaling that the physicians are in network, while the other half will be missing dates, sometimes for months at a time. As of September, Ms. Cooney says SPA was waiting for effective dates from Aetna for June submissions.

When Ms. Cooney calls to find out why some physicians haven’t been assigned effective dates, she receives no answers. “They don’t tell us anything. So we have no idea.”

Matthew Clyburn, an Aetna representative, said, “There is no backlog for credentialing. Our average credentialing turnaround time is 45 days.” He also says the health plan is doing better than average this year with credentialing turnaround. Aetna is unable to offer any indications as to the cause of the long delays.

Gerald Ray Callas, MD, chair of TMA’s Council on Legislation, and Ms. Searles say insurers may be purposefully dragging their feet during the credentialing process because keep-

## YOU CAN GET PAID DURING CREDENTIALING PROCESS

**The Texas Insurance Code** (Chapter 1452, Subchapter C) allows a physician joining an established medical group that has a current contract with a health plan to be paid as if he or she were participating in the plan while it is processing the physician’s application.

The physician will be treated, for payment purposes, as if he or she were participating in the health plan’s network if the physician:

- Is licensed in Texas,
- Is in good standing with the Texas Medical Board,
- Has submitted all documentation and information required by the health plan to begin the credentialing process, and
- Agrees to the contract terms.

Also, pending the approval of the physician’s application during the credentialing process:

- The physician may collect in-network copayments.
- The health plan may exclude the physician from its directory and website listing of participating physicians.
- In the case of an HMO, a patient may not select the physician as a primary care physician.

If the health plan eventually declines to credential the physician to participate in its network, the health plan may recover, from either the physician or the medical group, the difference between payments for in-network benefits and out-of-network benefits. In addition, the physician may keep any patient in-network copayments already collected or in the process of being collected as of the date of the health plan’s determination. The patient is not responsible for the difference between in-network copayments paid during the credentialing process and out-of-network benefits.

# COMING SOON: CREDENTIALING HELP FROM TMA

**Concerns among** physician members about the burden of credentialing and enrollment with hospitals and health plans have prompted TMA to take action. TMA is evaluating credentialing verification organizations that will assist physicians with the credentialing, verification, and enrollment processes.

TMA intends to affiliate with a company that streamlines the flow of information to all plans operating in Texas, including Medicaid HMOs and hospitals. Stay tuned for the launch of this service, which aligns with TMA's work on network adequacy and the need for health plans to maintain accurate provider directories.

The Council for Affordable Quality Healthcare (CAQH) launched DirectAssure, which works in concert with the CAQH ProView tool (<https://proview.caqh.org>) physicians may now use for credentialing. The free DirectAssure tool reduces administrative burden by eliminating the need for redundant updates from multiple health plans.

Physicians credentialed with health plans that participate with CAQH will be reminded at least quarterly to update and verify information that will be updated with those participating plans. While the solution is available to all health plans, not all health plans are participating members, which may limit the value. Learn more about this new CAQH initiative and view the health plans currently participating by visiting [www.caqh.org/solutions/directassure](http://www.caqh.org/solutions/directassure).

Questions about TMA's credentialing project may be directed to Shannon Vogel ([shannon.vogel@texmed.org](mailto:shannon.vogel@texmed.org)) in TMA's Health Information Technology Department.

ing physicians out of network for longer periods of time benefits the health plans financially. Insurers are essentially shirking their duty to facilitate payment, passing that burden onto patients, they say.

## REGULATIONS VS. REALITY

The long credentialing time frame is closely tied to the battle over network adequacy in Texas. According to TMA's 2016 Physician Survey, only 33 percent of physicians who attempted to join a health plan network in the past two years received contracts. The other 67 percent say they either received no response or received an unacceptable offer from a health plan.

When only one-third of physicians are receiving contracts, delayed credentialing becomes even more onerous for physicians and patients. Narrow networks shift the burden to the patients, who end up paying more out of pocket due to balance bills.

Many physicians wonder why insurers are able to bend the rules when it comes to network adequacy and contracting. Currently, the Texas Department of Insurance (TDI) oversees insurance network adequacy. TDI requires insurers to submit a report on network adequacy in April of each year. When the health plans actually do this — in 2016, only 60 percent handed in their reports on time — the documents reveal that a large proportion of health plans categorize their networks as adequate. But when TDI did a random audit of these reports, the department found the majority of networks weren't considered adequate by current standards.

Dr. Callas says the lack of appropriate oversight by TDI is frustrating. "The Senate Committee on Business and Commerce gave TDI a lot of latitude in regulating insurance companies, but TDI hasn't really utilized it."

During a Business and Commerce Committee hearing in May, a line of questioning by Sen. Charles Schwertner (R-Georgetown), MD, revealed TDI has not levied a fine on insurer-

ance companies for a lack of network adequacy in the three years since reporting began. Instead, TDI's Managed Care Quality Assurance Director Debra Diaz-Lara explained that TDI narrows service provider areas, revoking marketing privileges in certain regions where an insurance network is inadequate. By restricting service provider areas, TDI is effectively reducing the insurance company's market share. Yet Senator Schwertner expressed concerns about Texas "not adequately mandating that [network adequacy] laws be fulfilled."

Fines may be an effective way to increase network coverage while also expediting credentialing processes. Currently, Texas regulations allow TDI to levy fines on insurance companies for inadequate networks without limitations.

"When it no longer benefits insurers to delay the process, you will definitely see a change. If they can no longer get away with transferring financial responsibility to the patient and the physician, the delays will stop," Ms. Searles said.

#### **BALANCE BILLING AND HOPE FOR A CHANGE**

The combination of narrow networks and credentialing backlogs leads to out-of-network balance billing of patients. Neither physicians nor patients benefit from increased out-of-pocket costs, but a large minority of physicians report in TMA's 2016 Physician Survey that out-of-network health plan payments are often or always less than half of a physician's charge for the service.

"In most cases, patients understand that these are legitimate charges, but they are frustrated with their insurance companies," Dr. Bourgeois said of balance bills. He adds the problem is, patients often don't know what their insurance plan does and doesn't cover, so out-of-pocket costs often blindside them.

In May, TMA's Task Force on Balance Billing proposed a plan to pre-



## **Safety and Dividends Go Together Like Health and Wellness.**

We've got the prescription for a healthy medical industry—group and individual dividends for companies who keep their people safe. Plus, as a member of the **Texas Medical Group Safety Group**, you may receive a greater discount on your workers' comp premium. We're helping our policyholder owners be safer and stronger—and we think you'll find it very rewarding.

**For a healthy dose of safety and dividends, contact your agent or Diannah Tatum at (806) 792-5564 or [info@tmgworkcomp.com](mailto:info@tmgworkcomp.com).**

**TexasMutual**<sup>®</sup>  
WORKERS' COMPENSATION INSURANCE  
A Policyholder-Owned Company  
**WORK SAFE, TEXAS**<sup>®</sup>

While we can't guarantee dividends every year, Texas Mutual has returned \$1.8 billion to safety-conscious policyholder owners since 1999.

© 2016 Texas Mutual Insurance Company



# TMA HELPS YOU GET PAID

**TMA's Hassle Factor Log** program ([www.texmed.org/hassle](http://www.texmed.org/hassle)) goes to bat for members by helping resolve insurance-related payment problems. The Hassle Factor Log helped members recover more than \$1.3 million in 2015. TMA also meets regularly with Medicare, Medicaid, health care payment plans, and large insurers to discuss specific problems that members bring to TMA's attention.

Visit [www.texmed.org/paymentadvocacy](http://www.texmed.org/paymentadvocacy) for information about all of TMA's payment advocacy services.

serve physicians' rights to bill for services while simultaneously protecting patients from those surprise bills. (Read "No More Surprises," May 2016 *Texas Medicine*, pages 26–36, or visit [www.texmed.org/NoMoreSurprises](http://www.texmed.org/NoMoreSurprises).)

The first tenet of the plan corrects the lack of network adequacy oversight that Senator Schwertner picked up on during the Senate hearing. Increasing TDI's network adequacy oversight of health plan networks would decrease the number of out-of-network physicians, obviating the need for balance bills. The TMA plan also would expand the current \$500 balance bill threshold for mediation to include all out-of-network physicians, health care professionals, facilities, and vendors.

The TMA task force plan, adopted by the Board of Trustees and the House of Delegates, also suggested the state implement three major consumer education criteria. First, insurers, physicians, and providers would be required to inform patients "about the network status of the facility-based physicians and others who may participate in their care and bill for service" using a standard form. Additionally, insurers selling PPOs would be required to include "a clear and conspicuous" warning outlining the results of receiving an out-of-network service. Finally, insurance brokers and agents would be required to educate patients on the health plans they buy and clearly outline out-of-pocket expenses for in-network and out-of-network care.

Although TMA's plan focuses heavily on patient education, Dr. Calas wants to emphasize that insurers share a hefty amount of the blame for the problem of balance billing. With narrow networks on the rise, "there should be no delay when physicians are trying to get in network. In order for us to be successful at the end of this balance billing saga, we will need to ensure that the credentialing process is streamlined."

TMA's balance billing plan has

been largely well-received, according to Dr. Callas, who presented the plan to the Senate Committee on Billing and Commerce and the House Committee on Insurance. "The House and the Senate see a lot of positives coming from Texas. Multiple senators and state representatives have told me how much they appreciate that TMA approaches them with solutions."

When Dr. Callas is asked whether to expect network adequacy and balance billing to come up in the 2017 legislature, he says that the answer is not only yes, but "heck yes." Balance billing is a "hot topic that's not going away any time soon." The solutions TMA has proposed will move toward a "fair and equitable" process for both patients and physicians, he says. (For more details on the plan and TMA-developed patient education materials on surprise billing, see [www.texmed.org/surprise](http://www.texmed.org/surprise).)

Unfortunately for the Dallas-area primary care physicians who just started their own practice, 2017 legislation is too far away to help them. They are losing patients now. When asked what the long-term effects of the credentialing lag will be, one of the doctors pauses to consider. "We are afraid there will be no long term," she says. "If we can't see patients, we might have to shut down."

Calls and emails from the physicians and their IPA to UHC have gone unanswered and unreturned. At press time, they had drafted a letter to UHC outlining the financial burden the credentialing delay has placed on their practice. Now that the letter has been sent, all they can do is wait. ■

Jessica Martin, owner of Martin Medical Writing, LLC, is an independent science and medical writer based in St. Paul, Minn.



**Get a Life...**

**...follow your passion**

Play a pivotal role in improving the health of women and babies nationwide. See yourself practicing the medicine you desire and living the life you deserve.

In 2016, **OBHG celebrates 10 years** of *elevating the standard of women's healthcare*. Our team includes more than **450 skilled physicians** who serve a network of **100 hospitals** in **26 states nationwide**.

**Ask us about the hospitalist lifestyle.**

**OB Hospitalist<sup>SM</sup> GROUP**  
[www.OBHG.com](http://www.OBHG.com)

**CALL FOR ABSTRACTS**

*"One of the best-attended programs at TexMed 2017!"*

Applications due by March 17, 2017.  
 Visit [www.texmed.org/QualityPosters](http://www.texmed.org/QualityPosters) for details.

**TMF**  
 Health Quality Institute

**TEXAS MEDICAL ASSOCIATION**  
 Physicians Caring for Texans