Credentialing of Telemedicine Services Is Essential: How Delegation Can Reduce the Burden for Hospitals and Other Health Care Facilities

The global pandemic created an urgent need to both safely access and deliver health care services. Telemedicine instantly met that need.

Although many think of telemedicine services being provided on an outpatient basis during the pandemic, hospitals, especially rural ones, benefited greatly from the expansion of telemedicine services, especially under Medicare. However, Medicare (and accreditation bodies) requires hospitals to credential their medical staff. Facilities then must begin the provider evaluation process, which demands comprehensive information gathering, detailed verification and medical staff review of each applicant. While critical to protect patient safety, the administrative burden may quickly overwhelm hospitals, especially small or rural hospitals, and create a barrier to care delivery.

The Centers for Medicare and Medicaid Services (CMS) recognized the problem of credentialing delays several years ago and established delegated credentialing—or credentialing by proxy (CBP)—to streamline and expedite the credentialing and privileging path for telemedicine practitioners.

Under 42 CFR §482.22, CMS outlines that a hospital receiving telemedicine services—referred to as an **originating site**—is allowed to rely on the credentialing and privileging information and decisions furnished by a Medicare-participating **distant-site** hospital (often a larger medical facility) or non-hospital entity that provides the telemedicine services to patients at the facility, provided certain requirements are met.

Legal and Regulatory Considerations

To delegate credentialing, the receiving facility must have a written agreement with the distant-site hospital or entity that satisfies the following minimum requirements:

- The distant-site hospital or telemedicine provider entity must use a credentialing or privileging program that meets or exceeds Medicare standards for hospitals.

- The distant-site practitioner is privileged at the distant site and a current list of those privileges is provided to the hospital receiving the telemedicine services.

- The practitioner must hold a license issued or otherwise authorized to practice in the state in which the hospital whose patients are to receive the telemedicine services is located.

- The originating site must periodically conduct a peer review of the practitioner's performance of the service and report the information to the distant-site hospital. At a minimum the reports must include all adverse events and patient complaints.

But at its core delegation by proxy is only one part of a larger business agreement to purchase telehealth services. So, it is important the contract also focuses on areas such as insurance and indemnification. Obtaining legal counsel early in the process can ensure that any agreement fits the situation and addresses all necessary provisions.

Distant-site Entities

For agreements with distant-site entities such a telemedicine group or a non-Medicare-participating hospital, or other non-hospital telemedicine practitioner, the contract should state the entity is a contractor of services to the originating site, and the contracted services are furnished in a manner that permits the originating site to comply with all applicable medical conditions of participation.

The originating site hospital must abide by the requirements in Medicare's conditions of participation as well as state regulations where the originating site is located; the standards required by their hospital accreditation program; and medical staff bylaws, which should specifically permit delegated credentialing for telemedicine privileges consistent with the conditions of participation. The medical staff's governing board must approve the written agreements and indicate a process to forward quality concerns, adverse events and other issues to the distant site.

Other Considerations

CMS regulations do not currently require that both the originating and distant site be accredited by The Joint Commission. However, per CMS regulations and accreditor standards, surveyors may ask to review the credentialing agreement, physician rosters, bylaws and applicable meeting minutes. Sites should keep each other apprised of anticipated surveys in the event documents are requested that require additional input.

While delegated credentialing is complex, planning, communication and documentation sharing narrow the gap for expanded service access, especially for small and rural communities. Legal counsel experienced with the credentialing by proxy process should be consulted regarding agreements and medical staff bylaws to ensure the necessary regulatory conditions are addressed.

For additional information, contact:
Jonathan M. Joseph, Esq.
Health Law
jjoseph@cblaw.com | 804.697.4125

Christian & Barton, LLP
901 East Cary Street, Suite 1800 | Richmond, Virginia 23219
