

## Patient safety

# Best practices lead to greater consistency in vendor credentialing

**W**hen OR Manager examined vendor credentialing in 2009, hospitals had a hodgepodge of requirements. OR managers and purchasing departments were making their first forays into third-party software for managing credentialing, and there was a crying need for standardization.

Four years later, progress has been made in developing credentialing standards, and hospitals are finding success with technology and policies as both vendors and hospitals work to meet a shared goal—patient safety. However, challenges remain, particularly as regards consistency of requirements.

“Our members are seeking consistency,” says Dennis Orthman, senior director for Strategic Marketplace Initiative (SMI), a consortium of executives from providers, manufacturers, distributors, and IT companies focused on the healthcare supply chain. “Consistency can lead to efficiency on the part of both industry and hospitals.”

As is the case in many areas of medicine, identifying best practices can reduce inconsistencies. At the same time, best practices let organizations tailor policies and procedures to their specific needs.

### Best practices defined

In 2006, SMI published “Management Guidelines for Vendor Access,” and in 2009, AORN and the Advanced Medical Technology Association (AdvaMed), which represents medical device manufacturers, released “Joint Best Practices Recommendations for Clinical Health Care Industry Representative Credentialing.” The Coalition for Best Practices in Healthcare Industry Representative (HCIR) Requirement began meeting in 2010 and has built on those earlier efforts to create the “Joint Recommendation for Healthcare Industry Representative Credentialing Best Practices” (see p 13). Coalition members, who represent a wide range of stakeholders from healthcare organizations and industry associations, obtained input from many organizations, associations, and advocacy groups as they developed the best practices.

The recommendation, first released in July 2012, “is meant to be a living document,” says Rhett Suhre, cochair of the coalition and director of HCIR credentialing for Abbott. The coalition reviews and updates the best practices each year to ensure they reflect the current environment.

Suhre calls for hospitals, industry, and credentialing companies to align themselves with best practices. “By aligning on best practices, we can meet the common goals of patient safety and confidentiality while reducing healthcare costs,” he says. “Unfortunately, if we don’t do this, we’ll continue to add resources that may or may not provide benefit for patients but will drive healthcare costs up.”

The Mayo Clinic piloted the best practices and has now implemented the “heart and soul” of them, says Bruce Mairose, MHA, BBA, vice chair of operations for supply chain management at Mayo. “The reason we use the recommendations is that they make sense.” Mayo, a large organization across multiple states, saw states expressing interest in legislating what vendors should do. “We thought national standards were already developing and recommended to one state to wait and see if industry could coalesce around recommendations,” he says.

The request and the efforts of the coalition seem to have made a difference; Suhre says currently no state has such legislation.

UHC, an alliance of 118 academic medical centers and 298 of their affiliated hospitals, has voted to support the recommendations, and Suhre expects adoptions to continue increasing.

The coalition also plans to provide free materials to support companies in educating their vendors, starting with a program on fire safety training.

### **Joint Commission weighs in**

Although the Joint Commission doesn't require vendor credentialing, it has "expectations" for healthcare industry representatives who come into the hospital, which it outlined in April 2012 and updated in July 2012:

- take steps to ensure that patient rights are respected, including communication, dignity, personal privacy, and privacy of health information
- obtain informed consent in accordance with organization policy
- implement infection control precautions
- implement the patient safety program.

Despite this information, Mairose says, "The challenge is that it can be hard to interpret what regulatory agencies are saying. Getting compliance officers, infection control, employee health, and others all in agreement as to what the recommendations mean is difficult."

At the coalition's August 2013 meeting, Suhre says a representative from Joint Commission Resources, the educational arm of the Commission, clarified that because vendors don't provide patient care, they don't have the same responsibilities as those who do. The speaker also had a slide indicating that following the "Joint Recommendation for Healthcare Industry Representative Credentialing Best Practices" would meet Joint Commission standards.

The clarification addresses a thorny problem—what hospitals should expect from vendors. Mairose emphasizes that OR leaders "need to understand that supplier reps should not be put into the same category as employees when it comes to safety. Reps should know about fire exits but should not be trained to evacuate patients. Your instructions to reps should be to follow the instructions of your employees."

### **Third-party programs popular**

"The use of third-party companies for vendor credentialing has exploded," says Orthman. The growth has resulted in some consolidation into 4 main national companies (VCS, VendorMate, Reptrax, and Parallon), but Suhre says, "There are a lot of regional players out there, too."

According to a survey of 200 hospital CEOs and senior administrators conducted by L.E.K., an international consulting company, 49% of hospitals use a vendor management system. These systems are designed to ensure that vendors meet credentialing requirements, including reading policies and procedures regarding vendor access and conduct (see p 14). But it's important to use management systems to their fullest.

"The first couple of years, we weren't using it as effectively as we could," says

### **About best practices**

"Joint Recommendation for Healthcare Industry Representative Credentialing Best Practices" outlines best practices for 3 levels of representatives.

- Level I reps don't have access to patient care areas.
- Level II reps have access to patient care areas but not to sterile or restricted areas.
- Level III reps have access to patient care, sterile, and restricted areas such as the OR.

Requirements are tailored to the level of access.

Elements of the best practices document include credentialing requirements (eg, proof of liability insurance, immunization, proof of criminal background check, training requirements), what should not be required (eg, electrical safety training), and enforcement.

Training requirements specific to the OR (sterile and aseptic techniques), which are required only for Level III reps, should be based on guidelines from AORN and the American College of Surgeons.

Source: *Joint Recommendation for Healthcare Industry Representative Credentialing Best Practices*. Available for download at <http://www.hcirbestpractice.org>.

## **Managing vendor access**

In addition to computer systems, here are other actions you can take to regulate vendor access:

- Require vendors to wear a different color of scrubs.
- Lock up scrubs and make vendors show their badge to obtain them.
- Give vendors a special colored badge to wear that is timed and dated.
- Require vendors to call and schedule an appointment. "Reps who drop in are interrupting patient care," says Coleen Norberg, purchasing manager for Ellis Medicine. According to a survey by L.E.K., 75% of hospitals require vendors to make an appointment.
- Get surgeons on board. Norberg says showing the requirements to the surgeons and explaining that it's a patient safety issue has helped improve cooperation.

"Once we gained the surgeons' support, they helped to convert the most difficult vendors."

- Get staff on board. Educating staff about the requirements and emphasizing the need for patient safety helps improve staff buy in, Norberg says. "Those in the OR department need to be the eyes and ears for credentialing compliance success," she adds. "Vendor credentialing has to be a cultural approach, just like safety and infection control," says Bruce Mairose, MHA, BBA, vice chair of operations for supply chain management at the Mayo Clinic. "Employees in the organization need to be watching, and if there is a problem, they need to let the supply chain management department know so we can handle it in collaboration with the clinical department."

Coleen Norberg, purchasing manager for Ellis Medicine, a 3-campus health system in Schenectady, New York, that includes a community hospital. Ellis, which has used Reptrax since 2008, finds that monitoring reports daily provides the most benefit. Automatic notification also helps with tracking. If a vendor who is not fully credentialed signs in, an email is sent to purchasing. "We revoke his or her access to the system and also copy the OR so they know, too," she says.

Mayo uses its third-party program, which Mairose declines to name, to require that vendors read its "Supplier Briefing." The newsletter contains notices of price increases, changes in vendor expectations, policy updates, and other information vendors need to know. "We ask reps to also convey the information to the appropriate party in their company because it might not always relate to the salesperson," he says.

An organization doesn't have to sign up with a credentialing company to have a successful program, says Orthman. "It's possible for organizations to have a strong access program on their own without signing up with third-party credentialing companies." Some hospitals, such as Oneida Healthcare in New York (<http://www.oneidahealthcare.org/our-hospital/vendor-information>), have also put vendor information online.

## **When vendors go off track**

Most vendors bring significant value to ORs through their product expertise and ability to ensure that ORs have the products they need, Mairose says. Norberg adds that the reimbursement information vendors provide can help smooth the path of a new product entering the hospital system.

But what happens when a vendor doesn't adhere to guidelines? "If we have any issues with a rep, whether it's behavioral, skills, or something else, we use a formal escalation process with the representative and their employee," says Mairose. The Mayo procedures mirror the coalition's best practices.

First, a verbal warning is given and an email is sent to the vendor's manager. If the problem is not resolved or another offense occurs, the supply chain department sends a letter notifying the vendor and his or her manager of a suspension, the length of which varies according to the infraction. (Note: The coalition best practices refer to "potential" suspension.)

If the problem continues, the coalition best practices recommend notifying the vendor and manager of a suspension until the issue is resolved. At the Mayo Clinic, the vendor may be permanently barred from the facility if a problem is left unresolved. "We notify the supervisor ahead of time so they can bring another resource in to support the organization," Mairose says. Of course, for a serious offense like a theft, the vendor may be suspended immediately. "We will bar suppliers if we suspect that their behavior or skills aren't in the best interest of our patients," Mairose adds.

Norberg says Reptrax helps manage discipline. First, the system automatically prevents a vendor from signing in if he or she hasn't met credentialing requirements. At the second level, the purchasing department has to restore access even if the vendor has obtained credentials. The third level is a ban, with the length of time depending on the infraction. Purchasing works with the clinical department to determine what is appropriate, but 30 to 60 days is typical.

Suhre says using best practices to help ensure a consistent set of requirements makes it easier for the vendor's employer "to take corrective action not only for their facility but for all facilities that the individual may interact with." For a serious infraction such as violation of patient privacy, the vendor will likely be suspended immediately.

### **Get involved**

Suhre encourages OR nurse leaders to get involved with the coalition by reviewing the best practices to see if they fit their needs and by encouraging those responsible for credentialing in their organization to get involved, too. "The only group that has the authority to implement the best practices is the healthcare organizations themselves," he says.

"It's a privilege, not a right, for the rep to come into the facility," Norberg says. "We stress that with reps—and employees." She adds that OR managers and staff need to send a consistent message to staff and vendors: "Vendor policies and procedures are about bringing facilities in line with patient safety." ❖

—*Cynthia Saver, MS, RN*

*Cynthia Saver, a freelance writer, is president, CLS Development, Inc, Columbia, Maryland.*

### **References**

AORN. The role of the health care industry representative in the perioperative/invasive procedure setting. AORN Position Statement. March 2011.

IMDA Update. Vendor credentialing signs of progress. September 2012. <http://www.imda.org/news/update/201209.htm#vendor>. Accessed August 22, 2013.

Lavoie B. Hospitals adopt new strategies to boost profitability, but still face deep challenges: A new imperative for medtech. *Executive Insights*. 2013;15(4):1-6.

Mairose B. Mayo Clinic supply chain management: A review for consideration & implementation. *Standardizing Credentialing Requirements for Healthcare Industry Representatives*. June 15, 2012.

The Joint Commission. Non-licensed, non-employee individuals. July 9, 2012. [http://www.jointcommission.org/mobile/standards\\_information/jcfaqdetails.aspx?StandardsFAQId=423&StandardsFAQChapterId=66](http://www.jointcommission.org/mobile/standards_information/jcfaqdetails.aspx?StandardsFAQId=423&StandardsFAQChapterId=66). Accessed August 26, 2013.