Insurance Credentialing

It Pays to Stay Organized

The majority of bills for healthcare services provided by NPs are paid in full or in part by third-party payers. For your practice setting to receive reimbursement, you must be credentialed.

Credentialing

Indemnity insurers reimburse providers on a fee-for-service basis. Insurers may pay NPs a reduced rate; pay NP services when billed under a physician name; or refuse to pay for NP services.

Some state laws require commercial indemnity insurers to reimburse NPs when physicians are reimbursed for the same services. Today, 29 states mandate that NPs be reimbursed directly.

Commercial insurers may adopt Medicare rules on billing NP services, or they may adopt completely different policies.

Professional Response

In 2003, the American Nurses Association testified before the Federal Trade Commission and the Department of Justice about the state of reimbursement by private insurance companies. This excerpt from those proceedings shows that, unfortunately, the difficulties NPs face in receiving reimbursement have not changed significantly:

"Insurance companies have developed policies and procedures related to coding, credentialing and care, which have ultimately limited or blocked NP practice. State nurses' associations have attempted to investigate such claims and seek state..."

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Reimbursement
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The national NP organizations continue to lobby for fair reimbursement policies. The American College of Nurse Practitioners (www.acnpweb.org) and the American Academy of Nurse Practitioners (www.aanp.org) provide resources for the credentialing process.

Keeping Track
You may find it useful to prepare grids to track insurer policies. Spreadsheets organize this information.

“I recommend using a spreadsheet or an appropriate Microsoft Word table to keep track of reimbursements, credentialing activities and the like,” says Barbara Phillips, NP, founder of the Nurse Practitioners in Business Organization and owner of a primary care practice in Aberdeen, Wash. “It can be simple or complex, depending on how much you want to track.”

Elizabeth Adams, a practice management consultant, suggests using practice management software. “These applications allow the NP to plug in the individual insurance plans and the conversion factor. The reimbursement rates for specific CPT codes are automatically generated.” This may be simpler than designing your own spreadsheets.

When starting with a new employer, find out if the practice manager will be completing the credentialing process for you or if you need to do this yourself. Either way, you will have to provide specific documents for each credentialing authority you obtain. The necessary documents are numerous.

A simple spreadsheet can help you follow the process. At minimum, it should include the name of the plan and its website and contact phone number, the initial date of contact, the date the application was requested, the date the application was received, the date the application was returned, and the date credentialing was approved.

Maximizing Response
Before starting the process, familiarize yourself with the criteria. Go to the insurer’s website or call the provider liaison to get specifics for that plan.

Although the credentialing process is time consuming and the reimbursement process is still less than ideal for NPs, the income provided from private insurance is profitable for your practice.