



August 26, 2004

Report Number: A-06-04-00039

Ms. Victoria Lee
CEO
Muscogee (Creek) Nation
1801 East 4th
Okmulgee, OK 74447

Dear Ms. Lee:

The attached final report provides the results of our audit entitled "Credentialing and Privileging Practices at Muscogee (Creek) Nation." The objective of our audit was to determine whether the Creek Nation Community Hospital (Creek Hospital) had completed the credentialing, privileging, and personnel suitability reviews for its medical practitioners (practitioners).

Creek Hospital completed credentialing and privileging reviews for all of the 17 practitioners in our review, consistent with Joint Commission standards, but did not complete personnel suitability reviews for any of its contract practitioners. Of the 6 contract practitioners included as part of our review, none received a background investigation as required by the Indian Child Protection and Family Violence Prevention Act. (Public Law 101-630 § 408) Creek Hospital officials told us they were unaware that the Act requires Indian tribes and tribal organizations to conduct background investigations.

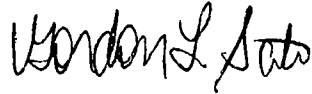
As of February 2004, a Creek Hospital official told us they had begun to develop procedures to conduct background investigations on all individuals with potential contact with Indian children.

We recommend that Creek Hospital continue its efforts to establish written procedures and controls to ensure that background investigations are performed on all medical staff in accordance with the Indian Child Protection and Family Violence Prevention Act.

Page 2 – Ms. Victoria Lee, CEO

If you have any questions or comments about this report, please do not hesitate to call me at (214) 767-8414 or have your staff call James Hargrove at (405) 605-6183, or email him at James.Hargrove@oig.hhs.gov. Please refer to report number A-06-04-00039 in all correspondence relating to this report.

Sincerely yours,



Gordon L. Sato
Regional Inspector General
for Audit Services

Attachment

Enclosures - as stated

cc: Jeanelle Raybon
Director, Program Integrity and Ethics
Indian Health Service

Dr. Lawrence Vark, D.O.
Muscogee (Creek) Nation
1801 East 4th
Okmulgee, OK 74447

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**CREDENTIALING AND PRIVILEGING
PRACTICES AT
MUSCOGEE (CREEK) NATION**



Inspector General

**AUGUST 2004
A-06-04-00039**

EXECUTIVE SUMMARY

BACKGROUND

The Indian Health Service (IHS), an agency within the Department of Health and Human Services, is the principal Federal healthcare provider and health advocate for 1.6 million American Indians and Alaska Natives. This report addresses credentialing, privileging, and other personnel suitability issues at the Creek Nation Community Hospital (Creek Hospital), located in Okemah, Oklahoma. Creek Hospital, a tribally operated facility, is one of 8 hospitals we reviewed based on IHS' request following media reports in 2002 questioning medical staff appointments made by IHS-funded facilities.

Creek Hospital uses a process to screen and verify applicants for medical staff membership known in the medical community as credentialing and privileging. Credentialing consists of verifying education, training and license documents, and contacting recent employers to determine an applicant's qualifications, competence and skills. Privileging identifies the scope of a physician's expertise and what the individual will be authorized to do at a facility.

Tribally operated hospitals are not required to follow IHS policy, including its policy on credentialing, privileging, and accreditation requirements. IHS policy requires all IHS-operated hospitals to be accredited. The Joint Commission on Accreditation of Healthcare Organizations (Joint Commission), which has accredited all IHS-operated hospitals, provides standards for and evaluates the adequacy of the credentialing and privileging process. Although Creek Hospital is not Joint Commission accredited, the hospital's bylaws for credentialing and privileging require verification of an applicant's education, training, licensure, current competence, experience, and board certification – a process consistent with Joint Commission standards.

Creek Hospital is required to meet the requirements of the Indian Child Protection and Family Violence Prevention Act of 1990 (Public Law 101-630 § 408). The Act requires background investigations on all employees and contractors having contact with Indian children. Tribally operated entities, such as Creek Hospital, may conduct their own investigations.

OBJECTIVE

The objective of our audit was to determine whether Creek Hospital had completed the credentialing, privileging, and personnel suitability reviews for its medical practitioners (practitioners).

RESULTS OF REVIEW

Creek Hospital completed credentialing and privileging reviews for all 17 practitioners in our review, consistent with Joint Commission standards, but did not complete personnel suitability reviews for any of its contract practitioners. Of the 6 contract practitioners

included as part of our review, none received a background investigation as required by the Indian Child Protection and Family Violence Prevention Act. Creek Hospital officials told us they were unaware that the Act required Indian tribes and tribal organizations to conduct background investigations. Officials added that although all staff practitioner hires receive background investigations in accordance with hospital bylaws, the bylaws do not address investigations for contract practitioners.

As of February 2004, a Creek Hospital official told us they had begun to develop procedures to conduct background investigations on all individuals with potential contact with Indian children.

RECOMMENDATION

We recommend that Creek Hospital continue its efforts to establish written procedures and controls to ensure that background investigations are performed on all medical staff in accordance with the Indian Child Protection and Family Violence Prevention Act.

Creek Nation officials agreed with our recommendations and informed us that they had begun implementing our recommendation. Based on our discussion with these officials, we are issuing the report in final rather than in draft.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
BACKGROUND	1
OBJECTIVE, SCOPE, AND METHODOLOGY	2
Objective	2
Scope	2
Methodology	2
FINDINGS AND RECOMMENDATIONS	3
CREEK HOSPITAL COMPLETED CREDENTIALING AND PRIVILEGING REVIEWS, BUT DID NOT COMPLETE BACKGROUND INVESTIGATIONS FOR CONTRACT PRACTITIONERS	3
Requirements for Credentialing and Privilege Granting, and Background Investigations.....	3
All 17 Practitioners Reviewed Were Appropriately Credentialed And Privileged, but Contract Practitioners did not Receive a Background Investigation	4
Hospital Officials Were Unaware that the Indian Child Protection And Family Violence Prevention Act Applied to Tribal Organizations.....	4
RECOMMENDATION	5

INTRODUCTION

BACKGROUND

IHS Request for Office of Inspector General to Examine Credentialing and Privileging

Following negative media reports in 2002 about the quality of medical practitioners at Indian hospitals, IHS requested the Office of Inspector General to review the adequacy of credentialing and privileging practices at IHS-funded hospitals.

IHS Provision of HealthCare

Through its network of 49 hospitals and other smaller facilities, IHS funds healthcare for over 1.6 million Native Americans and Alaskan Natives. These facilities are either managed and operated directly by IHS, or by tribes under self-governance agreements with IHS.

Creek Nation is tribally operated by the Muscogee (Creek) Nation through a self-governance compact with IHS. Located in Okemah, Oklahoma, the hospital has 30 beds and averages 4 to 6 inpatients per day and 1200 emergency room visits per month. The hospital provides a wide range of services, including vision care, dental care, chiropractic care and family medicine care.

The Credentialing and Privileging Process

In the healthcare field, credentialing and privileging are two components of a broader quality assurance and risk management process that all healthcare facilities undertake to ensure high-quality care. Credentialing consists of hospital management evaluating and verifying the training and experience of practitioners to determine their current competence and skills. Privileging consists of hospital management determining whether a practitioner is qualified to perform specific medical functions at a particular facility. A wide range of practitioners are typically subjected to this process, including physicians, dentists, and optometrists.

Tribally operated hospitals are not required to follow IHS policy, including its policy on credentialing, privileging, and accreditation requirements. IHS policy requires all IHS-operated hospitals to be accredited. The Joint Commission on Accreditation of Healthcare Organizations (Joint Commission), which has accredited all IHS-operated hospitals, provides standards for and evaluates the adequacy of the credentialing and privileging process. Although Creek Hospital is not Joint Commission accredited, the hospital's bylaws for credentialing and privileging require verification of an applicant's education, training, licensure, current competence, experience, and board certification – a process consistent with Joint Commission standards.

Background Investigations for Minimum Suitability Requirements

The Indian Child Protection and Family Violence Prevention Act requires all Indian tribes or tribal organizations receiving funds under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) to conduct a background investigation of each employee or contractor with regular contact or control over Indian children for any history of criminal acts against children. Congress established the Act, in part, after finding that (1) multiple incidents of crimes against children on Indian reservations have been perpetrated by persons employed or funded by the Federal Government, and (2) Federal government background investigations of Federal employees who care for, or teach, Indian children were often deficient.

According to the Act, Indian tribes and tribal organizations may conduct their own background investigations, contract with private firms, or request a Federal or State agency to conduct the investigations. Creek Hospital officials told us they contract with a private firm to conduct background investigations. These investigations include a check through the Oklahoma State Bureau of Investigations for arrest and conviction data for serious misdemeanors and felonies.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

The objective of our audit was to determine whether Creek Hospital had completed the credentialing, privileging, and personnel suitability reviews for its medical practitioners.

Scope

We selected Creek Hospital for review based on their designation as a tribally operated hospital, and because the hospital is not Joint Commission accredited.

To accomplish our objective, we selected 17 practitioners for review to ensure a representative selection of health disciplines. We made our selections from practitioners employed or whom had lawsuits filed against them during the period January 2000 through December 2002. At the time of our review, Creek Hospital had 67 practitioners on its medical staff.

Methodology

To perform our audit, we:

- reviewed hospital bylaws to determine if the hospital's credentialing and privileging requirements were consistent with Joint Commission (or industry-wide accepted) standards;
- interviewed Creek Hospital management officials; and

- reviewed practitioner files to determine whether the hospital:
 - verified credentials and granted privileges to practitioners in accordance with hospital bylaws and consistent with Joint Commission standards, and
 - performed background investigations of practitioners.

We conducted our audit in accordance with generally accepted government auditing standards, with one exception. We did not provide this report to the Muscogee (Creek) Nation for their formal written response. Since the hospital had already begun to take action on our recommendation, Creek Nation officials agreed to forego written comments.

We performed our audit work at the Muscogee (Creek) Nation Division of Health in Okmulgee, Oklahoma, during the period January through February 2003.

FINDINGS AND RECOMMENDATIONS

CREEK HOSPITAL COMPLETED REQUIRED CREDENTIALING AND PRIVILEGING REVIEWS, BUT DID NOT COMPLETE PERSONNEL SUITABILITY REVIEWS FOR ITS CONTRACT PRACTITIONERS

Creek Hospital completed credentialing and privileging reviews for all 17 practitioners in our review, consistent with Joint Commission standards, but did not complete personnel suitability reviews for any of its contract practitioners. Of the 6 contract practitioners included as part of our review, none received a background investigation as required by the Indian Child Protection and Family Violence Prevention Act. Creek Hospital officials told us they were unaware that the Act required Indian tribes and tribal organizations to conduct background investigations. Officials added that although all staff practitioner hires receive background investigations in accordance with hospital bylaws, the bylaws do not address investigations for contract practitioners.

Requirements for Credentialing, Privilege Granting, and Background Investigations

Consistent with Joint Commission standards, Creek Hospital bylaws require hospital management to follow a standardized process for a credentials review, and the granting of clinical privileges. Specifically, hospital bylaws cover the critical concepts found in Joint Commission criteria for reviewing the training, experience, and competence of a hospital's medical staff. In addition, IHS-funded hospitals are required to obtain personnel suitability reviews through background investigations of its employees.

Credentialing and Privileging Reviews

Creek Hospital bylaws require the hospital to verify a practitioner's credentialing information for appointment to the medical staff and for the granting of clinical privileges. The hospital's bylaws require verification of a practitioner's licensure, specific training, experience, and current competence.

Personnel Suitability Reviews through Background Investigations

The Indian Child Protection and Family Violence Prevention Act (Public Law 101-630 § 408), requires all Indian tribes or tribal organizations receiving funds under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) to conduct a background investigation of each employee or contractor with regular contact or control over Indian children for any history of criminal acts against children.

All 17 Practitioners Reviewed Were Appropriately Credentialed and Privileged, but Contract Practitioners did not Receive a Background Investigation

Creek Hospital had adequate credentialing and privileging controls in place to ensure its practitioners were medically qualified, competent, and providing patient care within the scope of their approved authority, consistent with Joint Commission standards. Creek Hospital completed credentialing and privileging reviews for all of the 17 practitioners in our review. However, the hospital did not complete personnel suitability reviews for any of its contract practitioners. Of the 6 contract practitioners included as part of our review, none received a background investigation to determine their suitability to work with Indian children.

Hospital Officials Were Unaware that the Indian Child Protection and Family Violence Prevention Act Applied to Tribal Organizations

Creek Hospital officials did not have procedures in place to conduct background investigations on its contract practitioners. Hospital officials told us that they were unaware that the Indian Child Protection and Family Violence Prevention Act requires all Indian tribes or tribal organizations, including Creek Hospital, to conduct a background investigation on all individuals, including contract practitioners, with regular or potential contact with Indian children.

As of February 2004, a Creek Hospital official told us they had begun to develop procedures to conduct background investigations on all individuals with potential contact with Indian children.

RECOMMENDATION

We recommend that Creek Hospital continue its efforts to establish written procedures and controls to ensure that background investigations are performed on all medical staff in accordance with the Indian Child Protection and Family Violence Prevention Act.

Creek Nation officials agreed with our recommendations and informed us that they had begun implementing our recommendation. Based on our discussion with these officials, we are issuing the report in final rather than in draft.