

# NAMSS NEW- HOSPITAL TOOLKIT

Guidance on the decisions, responsibilities, and protocol for MSPs involved in developing and launching a new hospital

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## Disclaimer

*This document is a compilation of information from organizations, including state governments and accreditation agencies to assist Medical Services Professionals (MSPs) during new-hospital openings.*

*This information was collected by National Association Medical Staff Services (NAMSS) members and NAMSS staff and compiled by NAMSS and its strategic partners to provide a rapid-access New-Hospital Toolkit for MSPs and hospitals.*

*This Toolkit is not intended as guidance from NAMSS. It does not replace or serve as a substitute for regulations, accreditation standards, or policy. This Toolkit is solely an informational product offered by NAMSS to MSPs and to hospitals.*

*NAMSS will update this document on an on-going basis to ensure all new and innovative approaches are reflected to provide strategies for opening new hospitals. MSPs may submit updates to [info@namss.org](mailto:info@namss.org), ATTN: New-Hospital Toolkit.*

## Toolkit Purpose

The NAMSS New Hospital Toolkit is a resource for Medical Services Professionals (MSPs) involved in developing and launching a new hospital. The Toolkit provides guidance on the decisions, responsibilities, and protocol MSPs should take to help ensure a new hospital meets federal/state regulations and accreditation standards, and structures itself to provide the best care possible to the community. MSPs play a critical role in a new hospital's development. Their early involvement can help ensure a new hospital's practitioner-credentialing process follows best practice and enables MSPs to work at the tops of their scopes.

## Introduction to the New-Hospital Toolkit

New hospitals, especially acute- and specialty-care facilities, are often built to respond to changing community needs, population shifts from urban to suburban areas, and aging facilities.

Planning, communicating, and project managing a new hospital's infrastructure and bylaws takes a considerable amount of time and thought. MSPs need to be a part of these planning and decision-making discussions as early as possible. Advocating for MSP involvement is important. This Toolkit provides tips on how MSPs can advocate for their involvement with hospital leadership. A new hospital leadership's decisions on the following questions determines how the MSPs structure the medical staff and their early involvement and leadership is critical:

- What services shall the hospital provide?
- Will the hospital be non-profit or for Profit?
- What is the Community makeup and its needs?
- What is the hospital's marketing structure?
- What is the hospital's communication protocol?
- Will the medical staff services department use a CVO?
- With what accreditation organization(s) will the hospital partner?
- Will the hospital provide telemedicine services?

## Communications Team

Communications and coordination among and within the teams developing a new hospital's infrastructure is key to meeting the benchmarks required to open a hospital. MSPs interact with, and are a part of, several of these teams and need to understand how each team works and affects the hospital's medical staff. Building relationships within these teams is incredibly important to ensuring MSPs have a voice in developing a hospital's medical staff services department structure. These teams may include:

- Legal (Medical-Staff Bylaws, Hospital Policies and Procedures, Medical-Malpractice Insurance Requirements, Peer-Review Requirements, etc.)
- Administration (Budget, Medical Staff Reporting Structure, Medical-Staff Officer Appointments)
- Hospital Design (Layout and Room Structures to Equip Specific Medical Procedures and Services)
- Quality and Patient Safety
- Information Technology Services (Credentialing Software, IT equipment, Medical Staff IT Support)
- Human Resources (Practitioner Employment, Contracted Medical Personnel)
- Revenue Cycle Team (Provider Enrollment)
- Health Plans Contracts (Delegated Credentialing)
- Regulatory and Accreditation (CMS, State Law, the Joint Commission/ACHC/DNV)
- Medical Staff Leadership
- Onboarding and Recruitment

## Governing Board

One of the most important steps in developing a new hospital's infrastructure is establishing its governing board. The hospital governing board is ultimately responsible for all care provided to patients. The board will approve the Medical Staff Bylaws and all other medical staff-related documents, policies, and procedures. The governing board designs the hospital's Medical Executive Committee (MEC) structure, which recommends the hospital's clinical privileges for each specialty, initial medical-staff appointments, and practitioner privileges. Some of the initial decisions that need to take place include:

- Selecting Members of the Governing Board (Hospital leadership selects)
- Setting Meeting Dates and Times
- Providing Documents Necessary to for Approval (See "Documents" below)
- Determining Accreditation Status

## Federal and State Hospital Regulations

The Centers for Medicare and Medicaid Services (CMS) defines a hospital as “an institution primarily engaged in providing, by or under the supervision of physicians, inpatient diagnostic and therapeutic services or rehabilitation services.” CMS certifies critical-access hospitals under separate standards. Psychiatric hospitals are subject to additional regulations beyond basic CMS hospital conditions of participation.

The State Survey Agency evaluates and certifies each participating hospital as a whole for compliance with the Medicare requirements and certifies it as a single provider institution. The hospital is licensed or is approved as meeting the standards for licensing as a hospital, as defined by the State.

It is critical that MSPs understand and can speak to CMS-hospital regulations and Interpretive Guidelines, as well as state hospital regulations, when a hospital develops its compliance infrastructure. MSPs’ attention to the medical staff regulations is especially important when developing bylaws and other compliance protocol.

## Hospital Accreditation

A new hospital will need to determine if it will be accredited by one of the many hospital accreditation organizations. If the new hospital is a part of an existing hospital system, it will likely seek accreditation by that system’s accrediting organization. MSPs will need to review the accrediting organization’s standards for medical staff requirements throughout the accreditation process. Additionally, an accrediting organization’s “Frequently Asked Questions” section may help the MSP develop appropriate documents for the hospital’s medical staff services department. Most of the standards relevant to the medical staff services department are in the following sections within an accreditation organization’s standards:

- Medical Staff
- Leadership
- Emergency Management
- Human Resources

## Medical-Staff Services

Developing a new hospital's medical staff services department and determining its responsibilities will be key to the future success of the hospital's MSPs and its medical staff. As the new hospital builds its medical staff services department, MSPs' input of the following can be critical:

- Determining the department's budget
- Working with HR on job descriptions and qualifications (In-Person vs. Virtual, etc.)
- Determining appropriate salary for each position
- Developing clinical telehealth privileges for each specialty either as a separate privilege or as part of the specialty clinical-privilege form.
- Establishing training and education requirements for MSPs
- Determining the number of full-time employers for each department, based on workload/duties
- Delegating credentialing for telemedicine services
- Establishing and finalizing a credentialing verification organization
- Developing medical staff service department policies and procedures (Lean, Standard Work, FIFO, etc.)
- Selecting credentialing software and IT equipment

## Medical Staff

MSPs should review the federal and state hospital regulations to determine which elements the medical staff service department must meet. MSPs should ask the following questions when establishing medical staff membership requirements:

- What types of practitioners shall be medical staff members (MD, DO, DDS, DMP, etc.)?
- Will the medical staff consist of departments and have clinical sections or service lines?
- What types of practitioners shall be advanced-practice professionals?
- How will the hospital organize the medical staff services department?
- What process will the department use to select medical staff officers (Immediate Past Chief of Staff, Vice Chief of Staff, Chief Medical Officer, etc.)?
- What process will the department use to select medical staff leaders (Medical Directors, Service-Line Leaders, etc.)?
- What types of treatment/procedures will the hospital use to define privileges and criteria?
- How will the medical staff monitor ongoing competencies and conduct peer review?
- What medical staff committees will the hospital need (Credentials Committee, Health Information, Quality, Trauma, etc.)? Note that CMS only requires an MEC.

- What are the required qualifications and prerogatives of each medical staff category?
- What education and training will be available to medical staff leaders?

The hospital's organized medical staff is self-governing and is responsible for overseeing care, treatment, and services practitioners with privileges provide. In most instances, the hospital will have a single, organized medical staff. A multi-hospital system may be an exception.

## Advance-Practice Professionals

MSPs must review the federal and state hospital regulations to determine which elements the new hospital's advance-practice professionals must meet.

The hospital's policy for advance-practice professionals shall outline the categories, qualifications, credentialing procedures, conditions of practice and procedural rights. Examples are:

- Physician Assistant
- Nurse Practitioner
- Clinical Nurse Specialist
- Certified Registered Nurse Anesthetist
- Certified Nurse-Midwife
- Clinical Social Worker
- Clinical Psychologist
- Anesthesiologist's Assistant
- Registered Dietician or Nutritionist

## Documents

The new hospital's governing board shall draft and approve all hospital documents. These documents will guide MSPs on the medical staff services department's governance and organization, qualifications, and responsibilities, credentialing policies, fair hearing procedures, and rules and regulations. Examples of these documents are:

- Medical Staff Bylaws
- Credentials Policy – Medical Staff
- Credentials Policy – Advance-Practice Professionals
- Organizational Manual
- Fair Hearing Policies & Procedures
- Rules & Regulations
- Application for Medical Staff and Advance Practice Professionals

Additional medical-staff documents may include:

- Focused Professional Practice Evaluation (FPPE)
- Ongoing Professional Practice Evaluation (OPPE)
- Peer Review Policies
- Professionalism Policy
- Emergency Call Policy
- Conflict of Interest Policy
- Senior Physician Requirements/Aging Physician Policy
- Response to References Policy
- Sharing of Peer Review Policy (Large Hospital System)

## Developing Clinical Privileges

All hospital patients must receive care from a practitioner who meets certain criteria and who has clinical privileges at the hospital—or from a practitioner that a medical staff member directly supervises. All patient care is provided by, or in accordance with, the orders of a practitioner who has been granted clinical privileges in accordance with the criteria established by the governing body, and who is working within the scope of those granted privileges.

Clinical privileges always include qualifications and criteria with a detailed list or a core-privilege list. Special privileges may also exist outside of the core-privilege list. The hospital needs to develop clinical privileges for each practitioner specialty that provides services for the hospital. The new hospital needs to determine if it will include telemedicine as part of the specialty form and if it will provide separate telemedicine privileges. Research and community standards are required to develop clinical privilege criteria. Advance-practice professionals may also have specialty-specific focused clinical privileges (Example: Physician Assistant—Orthopedics vs. Physician Assistant—Acute Care).

## Decision on Credentialing Software

Purchasing credentialing software is one of the medical staff services department's major investments. The department should send an RFP for credentialing to software vendors and MSPs should be a part of the RFP development and vetting processes. It is important that the RFP list all the required components for current and future software use. After receiving the RFPs, department personnel should schedule a demonstration of each bidding company. The

medical staff services department should then request quotes from short-listed proposals to help compare bids.

This vetting should also include IT personnel, medical staff members, and others outside of the medical staff services department who will use the software (e.g. Provider enrollment, marketing, legal, clinics, etc.). Selecting a software vendor takes time and is critical to the success of the medical staff services department. All MSPs and software users should receive formal training.

When finalizing a contract with a vendor, MSPs should help set the software's implementation date so it corresponds with training, employee onboarding, and the hospital's opening timeline. The hospital should document security, users, data-field definitions, and other requirements during the implementation process. The medical staff services department should also complete these elements prior to starting the new hospital's credentialing and privileging processes.

## Contracts

The new hospital will need to determine which hospital services it will contract. The hospital drafts these contracts for medical staff members to fulfill. Contracted services may include:

- Hospital-Based Services (Anesthesiology, Emergency Medicine, Radiology, Radiation Oncology, Pathology, Hospitalist Services (Neonatal, Pediatrics, Internal Medicine, etc.))
- Telehealth Services

## Performance Improvement and Ongoing Monitoring

Performance improvement and ongoing monitoring is required of all practitioners with delineated clinical privileges.

- Focused Professional Practice Evaluation (FPPE)
  - FPPE confirms competency and professionalism. MSPs should use a defined number of admissions or defined number of procedures for a short period.
  - The hospital's Credentials Committee and MEC should review each practitioner's FPPE.
  - All FPPE should be Board-approved.
  - The Credentials Committee and MEC may modify FPPE requirements based on an applicant's credentials.
  - A hospital should complete FPPE within six months.

- A hospital can extend FPPE when necessary, but generally should not extend beyond 24 months (low volume/no volume, resignation). MSPs should consider specifying “index” procedures.
- FPPE review may include:
  - Chart Review
  - Monitoring Clinical Practice Patterns
  - Simulation
  - Proctoring
  - External Peer Review
  - Discussion with Others Involved with Patient Care
  - Proctoring
  - Cooperation with Clinical FPPE Review Requirements
  - Compliance with Professionalism and Interaction with Others
- Ongoing Focused Professional Practice Evaluation (OPPE)
- Peer Review
- Quality, Medical Staff Services, & IT Work Group
  - OPPE is a screening tool to evaluate all practitioners with privileges and to identify clinicians who might be delivering an unacceptable quality of care. “As with all screening tests, a positive finding must be followed up with a more specific diagnostic test, one that should have high specificity for poor care.” (Robert B. Wise, MD—TJC Medical Advisor, August 21, 2013)
  - The hospital’s individual departments collect all OPPE data for medical-staff assessment and approval.
  - Practical Tips for OPPE Assessment:
    - Start with data that the hospital collects for billing or quality purposes
    - Ensure OPPE is an opportunity for education and continuous improvement
    - Use examples of Department Generated Data Elements
    - Assess complication rates
    - Assess infection rates
    - Assess unplanned return to surgery rates
    - Assess C-Section rates
    - Review data reported to relevant registries (STS, ACC, Stroke)
    - Assess compliance with evidence-based practice protocols
    - Assess compliance with SCIP, DVT, Pneumonia, CHF and Acute MI measures
    - Assess risk-adjusted mortality
    - Assess computerized physician-order entry rates
    - Use of approved abbreviations
    - Assess compliance with other medical-record requirements, dating, timing, and signing orders
    - Assess average length of stay
    - Assess pharmacy cost per case
    - Factor OPPE data reports into reappointment assessment, reappraisal, and recommendations.

## Conclusion

New hospitals can be exciting ventures that provide new growth and service opportunities to communities across the country. The success of a new hospital depends on each step and each decision made when developing its compliance infrastructure, governing body, and bylaws. Equally critical to this success is ensuring those with medical staff knowledge, experience, and perspective take part in the hospital's development.

MSPs experience first-hand pain points of an inefficient medical staff service department. They also provide insight for ensuring a new hospital develops medical staff bylaws that are compliant, comprehensive, and transparent. MSP involvement in developing a new hospital is invaluable to the hospital's functionality, nimbleness, and ability to provide safe and high quality care to the community it serves.

The NAMSS New-Hospital Toolkit provides MSPs guidance on the protocol they should follow, the processes they should ensure, and vision they should seek when helping to open a new hospital. MSPs' expertise and insight will help develop, promote, and enhance successful hospital credentialing programs. NAMSS continues to serve as a resource for MSPs partaking in this critical work. Please send any questions about the New-Hospital Toolkit to [info@namss.org](mailto:info@namss.org).