

**DEPARTMENT OF HEALTH
OFFICE OF THE DEPUTY SECRETARY FOR QUALITY ASSURANCE
AND HEALTH PLANNING
BUREAU OF HEALTH CARE FINANCING**

*GUIDANCE REGARDING EXEMPTION REQUESTS
FOR CRNPS TO SERVE AS PRIMARY CARE PROVIDERS*

Attached for your information is HMO Technical Advisory 95-1. This Advisory provides guidance to those licensed health maintenance organizations (HMOs) which may voluntarily seek approval of an exception to the Department's HMO regulations (28 Pa. Code Chapter 9) to permit practices in which certified registered nurse practitioners (CRNPs) provide the majority of primary care services to serve in the critical "health manager" or "gatekeeper" role. The Department's HMO regulations require that this role be undertaken by a "primary care physician," therefore, use of a CRNP practice in such role requires submission and approval of an exception request containing "justifiable reasons." One such justifiable reason may be the lack of availability of physicians or physician practices in medically underserved areas in which a CRNP practice is providing critical access to primary care services to an "at-risk" population.

If you have any questions, comments or concerns regarding this Technical Advisory or desire technical advice and assistance in preparing an exception request application, please feel free to contact:

Bureau of Health Care Financing
Pennsylvania Department of Health
Room 1030 Health and Welfare Building
Harrisburg PA 17120

(717) 787-5193

July 12, 1995

PENNSYLVANIA DEPARTMENT OF HEALTH
OFFICE OF THE DEPUTY SECRETARY FOR QUALITY ASSURANCE
AND HEALTH PLANNING
BUREAU OF HEALTH CARE FINANCING

*HMO TECHNICAL ASSISTANCE ADVISORY 95-1
EXEMPTION REQUEST FOR CRNPS
TO SERVE AS PRIMARY CARE PROVIDERS*

I. PURPOSE

This technical assistance advisory provides guidance to health maintenance organizations ("HMOs") desiring to enter into primary care provider contracts with practices in which certified registered nurse practitioners ("CRNPs") provide the majority of the primary care services and serve in the primary care provider role. The primary care provider role traditionally has been associated with a "primary care physician" as that term is defined in the HMO regulations, 28 Pa. Code Chapter 9. The purpose of this advisory is to provide the process and standards that an HMO can use to obtain an exception from that definition so that a CRNP can undertake some of the responsibilities of a "primary care physician" under state HMO law and regulations.

In this advisory, we will use the term "primary care provider" to refer to a CRNP who supervises, coordinates, and provides initial and basic care to members, initiates their referral for specialist care and maintains continuity of care. (This role is often referred to as that of a primary care "health manager" or "gatekeeper.") Under state law, CRNP care is provided "in collaboration with and under the direction of a physician licensed to practice medicine in the Commonwealth." Enrolled HMO patients who choose to have a CRNP serve as their primary care provider are not routinely seen by the collaborating physician unless referred to the physician by the CRNP or requested by the patient.

This advisory is intended to permit CRNPs to practice to the fullest extent permitted under state law. This advisory contains language from current statutes and regulations. In light of the fact that statutes and regulations change, it is intended that this advisory should be read as if it incorporates any statutory or regulation changes.

This advisory is not intended to apply to primary care physician practices in which the majority of care is provided by primary care physicians, but which also employ one or more CRNPs to assist in the provision of primary care services to their patients. In such practices, the majority of care is provided by physicians, but enrolled HMO patients have the option, depending upon appointment availability or personal preference, of being seen routinely or on an episodic basis by an employed CRNP of the practice.

II. BACKGROUND

There may be circumstances where HMOs wish to contract with a primary care practice in which the majority of the primary care services and the primary care provider roles are performed by CRNPs. One such circumstance may be the lack of availability of physicians or physician practices in medically underserved areas in which a CRNP practice is providing critical access to primary care services to an "at-risk" population.

The Department's HMO regulations currently do not address any primary care provider other than a "primary care physician." Accordingly, in order to contract with CRNP practices to serve as primary care providers, the Department believes that HMOs must formally request and receive Department of Health approval of an "exception" under 28 Pa. Code §9.97. This technical assistance advisory provides the procedure for HMOs to use when requesting approval for this exception under §9.97 and the standards that the Department will apply in reviewing exception requests.

Under the regulations, "primary care physicians" must meet certain requirements, such as having hospital privileges. In preparing this advisory, we have taken into account that CRNPs currently have difficulty obtaining hospital privileges in the Commonwealth. Accordingly, this advisory recognizes that a CRNP may have agreements with both a collaborating physician and a hospitalizing physician and that these two roles may not necessarily be performed by the same person.

III. EXCEPTION PROVISIONS

HMOs that wish to utilize a CRNP-based practice as a primary care provider should follow the procedures found in §9.97, as described in more detail below:

1. The HMO should submit a written exception request to Director, Bureau of Health Care Financing, Pennsylvania Department of Health, Room 1030 Health & Welfare Building, P.O. Box 90, Harrisburg, PA 17108-0090.
2. The written request should include:
 - a. A justification for the request;
 - b. A description of why granting the exception would not impair the health, safety and welfare of the citizens of the Commonwealth; and
 - c. A description of how the granting of the exception request by the Department would result in the policy objectives and intentions of the HMO regulations continuing to be substantially met.

3. In addition, the written request should:
 - a. Include a description of the process and the standards that the HMO will use to credential primary care practices in which the majority of primary care health services will be provided by CRNPs;
 - b. Identify each CRNP practice that the HMO has credentialed and for which it is requesting an exception by providing the following information:
 - i. Name, address and telephone number of the practice as they will appear in the provider directory;
 - ii. Names of the participating CRNPs and their collaborating physicians and their respective primary care specialties (e.g. family practice, pediatrics, etc.);
 - iii. A description of the brief statement that will appear in the provider directory disclosing to prospective HMO enrollees that the CRNPs will provide the majority of primary care to be provided by the practice;
 - iv. Identification of the HMO participating hospital at which inpatient hospital services usually will be provided to practice enrollees requiring inpatient care and a statement that the CRNP primary care providers either have admitting privileges at such hospital or have an agreement with a physician who has admitting privileges at such hospital; and
 - v. A copy of the criteria that the HMO used to credential the CRNP practices and written assurances that the CRNP practices for which the HMO is requesting an exception meet or exceed the credentialing criteria.

IV. MINIMALLY ACCEPTABLE CREDENTIALING CRITERIA

HMOs may develop and submit whatever reasonable credentialing criteria for CRNP practices they wish for Department review and approval as part of the exception approval process. However, the Department believes that the following are the minimum credentialing criteria that an HMO should use in its credentialing of primary care practices in which the majority of care is to be provided by CRNPs:

1. The HMO shall verify that each CRNP:
 - a. Graduated from an accredited CRNP program;
 - b. Is legally recognized by the Pennsylvania State Board of Nursing as a CRNP qualified to practice in family practice or primary care adult, geriatric, or pediatric practice; and

- c. Has malpractice insurance and that the HMO has reviewed the malpractice history of each CRNP.
2. The HMO shall verify that:
 - a. The CRNPs will practice in accordance with the CRNP regulations of the State Board of Nursing, which currently state that written practice agreements with collaborating physicians must at a minimum include:
 - i. standards of medical practice incorporating consultation and regularly scheduled chart review;
 - ii. annual review of drug and other medical protocols;
 - iii. guidelines for referral;
 - iv. periodic updating in medical diagnosis and therapeutics; and
 - v. provisions assuring that the collaborating physicians are available to the CRNP.
 - b. The CRNP must have documented arrangements for the provision of emergency physician consultation and for emergency treatment and inpatient hospital care of HMO enrollees in an HMO participating hospital for medically necessary care beyond the scope of the CRNP practice on a 24 hours a day/7 days a week basis; and
 - c. The CRNP has hospital privileges or the CRNP has an agreement with either a collaborating physician or a hospitalizing physician who has admitting privileges, recognizing that these two roles may not necessarily be performed by the same person.
3. As part of the credentialing process, just as it does for primary care physician practices, the HMO should conduct an on-site inspection of the CRNP practice to verify availability/accessibility issues and conduct a medical record review (utilizing the NCQA medical record review form which has been adopted the Department with NCQA permission). The HMO medical Director should review a minimum of three records per CRNP to validate clinical competency.
4. The HMO should use the same provider contract and reimbursement methodology (e.g. capitation, fee-for-service) for primary care provider CRNP practices that it uses for primary care physician practices. If special contracts or other reimbursement methodologies are to be used, a full explanation and justification should be included in the exception request submission.

5. The listing of a CRNP practice in the provider directory used by HMO enrollees or prospective enrollees should be under the practice name and include both the names of the CRNPs and the collaborating physicians, with a brief disclosure that the majority of care in the practice will be provided by CRNPs. A sample provider directory listing containing such disclosure should be submitted with the exception request.
6. The identification of the CRNP primary care provider on each enrollee's ID card is left to the discretion of the HMO.

V. GRANTING OF AN EXCEPTION

The Department intends to approve or disapprove exception requested under this advisory within 60 days of receipt of a completed application. While the Department intends to rely on the written assurances of the applicant HMO that it has established credentialing standards for CRNP dominated practices as set forth in its application and found the identified CRNP practices to have met such standards, the Department reserves the right to review the applicant HMO's credentialing files regarding the CRNP practices to verify that acceptable credentialing has been conducted and that the HMO's written assurances are valid.

If the Department grants an exception, it will be conditioned on the HMO's prompt reporting to the Department of any material change in the status of the CRNP practices. The principal office responsible for HMO regulation and granting of exceptions to the HMO regulations, and the office which may be contacted for additional information or questions regarding this technical advisory, is: Bureau of Health Care Financing, Pennsylvania Department of Health, Room 1030 Health & Welfare Building, P. O. Box 90, Harrisburg, PA 17108-0090, (717) 787-5193.

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