

Credentialing of Certain Health Care Providers

*Department of Safety and
Professional Services*



STATE OF WISCONSIN

Legislative Audit Bureau

NONPARTISAN • INDEPENDENT • ACCURATE

Report 21-5
March 2021

Joint Legislative Audit Committee Members

Senate Members:

Robert Cowles, Co-chairperson
Dale Kooyenga
Howard Marklein
Melissa Agard
Tim Carpenter

Assembly Members:

Samantha Kerkman, Co-chairperson
John Macco
Mark Born
Dianne Hesselbein
Francesca Hong

Legislative Audit Bureau

State Auditor
Joe Chrisman

**Deputy State Auditor
for Performance
Evaluation**
Dean Swenson

Evaluator
Nehemiah Chinavare

**Publications Designer
and Editor**
Susan Skowronski

The Legislative Audit Bureau supports the Legislature in its oversight of Wisconsin government and its promotion of efficient and effective state operations by providing nonpartisan, independent, accurate, and timely audits and evaluations of public finances and the management of public programs. Bureau reports typically contain reviews of financial transactions, analyses of agency performance or public policy issues, conclusions regarding the causes of problems found, and recommendations for improvement.

Reports are submitted to the Joint Legislative Audit Committee and made available to other committees of the Legislature and to the public. The Audit Committee may arrange public hearings on the issues identified in a report and may introduce legislation in response to the audit recommendations. However, the findings, conclusions, and recommendations in the report are those of the Legislative Audit Bureau.

The Bureau accepts confidential tips about fraud, waste, and mismanagement in any Wisconsin state agency or program through its hotline at 1-877-FRAUD-17.

For more information, visit www.legis.wisconsin.gov/lab.

Contents

Letter of Transmittal	1
------------------------------	----------

Credentialing of Certain Health Care Providers	3
---	----------

Temporary Authorization to Practice	4
Credential Renewals	5

Response

From the Secretary of the Department of Safety and Professional Services



STATE OF WISCONSIN

Legislative Audit Bureau

Joe Chrisman
State Auditor

22 East Mifflin Street, Suite 500
Madison, Wisconsin 53703

Main: (608) 266-2818
Hotline: 1-877-FRAUD-17

www.legis.wisconsin.gov/lab
AskLAB@legis.wisconsin.gov

March 12, 2021

Senator Robert Cowles and
Representative Samantha Kerkman, Co-chairpersons
Joint Legislative Audit Committee
State Capitol
Madison, Wisconsin 53702

Dear Senator Cowles and Representative Kerkman:

As authorized by 2019 Wisconsin Act 185, we have completed a review of how the Department of Safety and Professional Services (DSPS) managed the process for credentialing certain health care providers under the provisions of Act 185.

Act 185 allowed certain health care providers formerly credentialed in Wisconsin or in other states to temporarily practice without Wisconsin credentials through June 10, 2020. On March 27, 2020, the Governor and the Department of Health Services (DHS) had issued Emergency Order 16, which contained similar provisions. From March 27, 2020, through June 10, 2020, DSPS issued credentials to 1,720 health care providers formerly credentialed in Wisconsin or credentialed in other states.

Act 185 required health care facilities to notify DSPS with five days of when providers credentialed in other states had begun practicing in Wisconsin. Facilities did not consistently notify DSPS in a timely manner that providers credentialed in other states had begun practicing in Wisconsin. In addition, facilities did not consistently provide accurate information when notifying DSPS.

On October 1, 2020, the Governor and DHS issued Emergency Order 2, which authorizes certain providers credentialed in other states to temporarily practice in Wisconsin. Because Emergency Order 2 is ongoing, we recommend that DSPS improve its oversight of the credentialing process by ensuring that health care facilities provide it with timely and accurate notification about such providers.

We appreciate the courtesy and cooperation extended to us by DSPS. A response from the secretary of DSPS follows our report.

Respectfully submitted,

Joe Chrisman
State Auditor

JC/DS/ss

Credentialing of Certain Health Care Providers

To practice as a health care provider in Wisconsin, an individual must possess a valid credential issued by DSPS.

To practice as a health care provider in Wisconsin, an individual must possess a valid credential issued by the Department of Safety and Professional Services (DSPS). Credentialed providers must meet statutorily specified requirements, such as having the required education and passing an examination. Providers must also complete continuing education requirements and renew their credentials biennially. DSPS determines the fees a given type of provider, such as a physician, must pay for a credential. These fees are based on the administrative and enforcement costs that DSPS incurs for regulating a given type of provider.

On March 12, 2020, the Governor issued Executive Order 72, which declared a public health emergency. This order, which lasted through May 10, 2020, did not modify the process for credentialing health care providers.

On March 27, 2020, the Governor and the Department of Health Services (DHS) issued Emergency Order 16, which contained provisions for allowing certain health care providers formerly credentialed in Wisconsin or credentialed in other states to temporarily practice in Wisconsin.

2019 Wisconsin Act 185 modified the process for credentialing certain health care providers.

2019 Wisconsin Act 185, which was enacted on April 15, 2020, modified the process for credentialing certain types of health care providers. Act 185:

- permitted, but did not require, DSPS to waive credential fees for certain providers through May 11, 2020;

4 › CREDENTIALING OF CERTAIN HEALTH CARE PROVIDERS

- allowed certain providers who were formerly credentialed in Wisconsin or credentialed in other states to practice in Wisconsin without Wisconsin credentials through June 10, 2020; and
- stipulated that the credentials of certain providers remained valid and were not subject to renewal, including renewal conditions such as completing continuing education requirements, through July 10, 2020.

2019 Wisconsin Act 185 requires the Legislative Audit Bureau to use risk-based criteria to review selected programs affected by Act 185 and selected expenditures made with funds authorized by Act 185. We completed a review of how DSPS managed the process for credentialing certain health care providers under provisions in Act 185. We analyzed how DSPS managed the process by which providers who were formerly credentialed in Wisconsin and were currently credentialed in other states received temporary authorization to practice in Wisconsin. We also analyzed how DSPS managed credential renewals.

Temporary Authorization to Practice

In order for a health care provider formerly credentialed in Wisconsin or credentialed in another state to practice in Wisconsin through June 10, 2020, Act 185 required a provider's practice to be necessary for a health care facility to ensure continued and safe delivery of services, and a facility's needs reasonably prevented a provider from obtaining a credential before practicing at a facility.

From March 27, 2020, through June 10, 2020, DSPS issued temporary and permanent credentials to health care providers under the provisions of Act 185 and Emergency Order 16, as well as under statutory provisions that allow it to issue credentials to providers who were formerly credentialed in Wisconsin or were credentialed in other states. Although DSPS did not use the provisions in Act 185 to issue credentials to providers formerly credentialed in Wisconsin, it did use other provisions in Act 185 that permitted such providers to practice without completing continuing education requirements.

From March 27, 2020, through June 10, 2020, DSPS issued credentials to 1,720 health care providers formerly credentialed in Wisconsin or credentialed in other states.

From March 27, 2020, through June 10, 2020, DSPS issued credentials to 1,720 health care providers formerly credentialed in Wisconsin or credentialed in other states, as shown in Table 1. This total included 1,555 providers credentialed in other states and 165 providers formerly credentialed in Wisconsin.

Table 1

Number of Health Care Providers to Whom DSPS Issued Credentials to Practice in Wisconsin¹
 March 27, 2020 through June 10, 2020

Type of Provider	Providers Who Were:		Total	Percentage of Total
	Credentialed in Other States	Formerly Credentialed in Wisconsin		
Mental Health Professional ²	483	13	496	28.8%
Physician	361	23	384	22.3
Registered Nurse	214	88	302	17.6
Advanced Practice Nurse	109	5	114	6.6
Pharmacist	90	13	103	6.0
Respiratory Care Practitioner	75	2	77	4.5
Physical Therapist	72	1	73	4.2
Physician Assistant	53	1	54	3.1
Licensed Practical Nurse	18	12	30	1.7
Occupational Therapist	25	1	26	1.5
Chiropractor	11	3	14	0.8
Dentist	12	0	12	0.7
Other ³	32	3	35	2.0
Total	1,555	165	1,720	100.0%

¹ According to information provided by DSPS.

² Includes licensed clinical social workers, marriage and family therapists, professional counselors, and psychologists.

³ Includes dietitians, speech-language pathologists, optometrists, and podiatrists.

Credential Renewals

Act 185 permitted, but did not require, DSPS to waive credential fees charged to certain health care providers from March 12, 2020, through May 11, 2020. We found that DSPS charged credential fees during this period of time because it relies on this revenue to fund its operations. Information provided by DSPS indicates that the 1,720 providers formerly credentialed in Wisconsin or credentialed in other states paid a total of \$121,500 in credential fees. Each of these providers paid a fee that ranged from \$59 to \$75 and averaged approximately \$70.

Act 185 stipulated that the credentials of certain providers remained valid and were not subject to renewal over the four-month period from March 12, 2020, through July 10, 2020. Statutes require a given type of provider to renew credentials on a specified day every two years. For

example, all pharmacists must renew their credentials on June 1 of each even-numbered year. DSPS informed pharmacists on April 27, 2020, that they were not required to renew their credentials over this four-month period of time. DSPS indicated that it similarly informed other providers that their credentials remained valid through the period specified in Act 185.

Health care facilities did not consistently notify DSPS in a timely manner that providers credentialed in other states had begun practicing in Wisconsin.

Act 185 and Emergency Order 16 required health care facilities to notify DSPS within five days of when health care providers credentialed in other states had begun practicing at those facilities. However, we found that facilities did not notify DSPS in a timely manner that 36 of 83 health care providers (43.4 percent) credentialed in other states had begun practicing in Wisconsin. In addition, facilities notified DSPS that 18 providers had begun practicing in Wisconsin before February 18, 2020, which preceded the issuance of Emergency Order 16 on March 27, 2020.

On October 1, 2020, the Governor and DHS issued Emergency Order 2, which authorizes certain health care providers credentialed in other states to temporarily practice without Wisconsin credentials. Relevant provisions in Emergency Order 2 are similar to those in Act 185, except that a provider must apply for a Wisconsin credential within 30 days, instead of 10 days, and that health care facilities must notify DSPS within 10 days, instead of 5 days, of the dates when such providers begin practicing at these facilities. Emergency Order 2 is in effect until April 21, 2021, but indicates it will be extended if the secretary of the federal Department of Health and Human Services determines that the current public health emergency continues.

Because Emergency Order 2 is ongoing, it is important for DSPS to improve its oversight of the credentialing process by carefully reviewing the notification forms provided by health care facilities and ensure that these forms are submitted in a timely manner and contain accurate information. If these requirements are not met, DSPS should contact the applicable facilities and explain the notification requirements.

☑ Recommendation

We recommend the Department of Safety and Professional Services:

- *carefully review the notification forms submitted by health care facilities under the provisions of Emergency Order 2 and ensure that these forms are submitted in a timely manner and contain accurate information;*
- *contact health care facilities that did not follow the notification requirements and explain these requirements; and*

- *report to the Joint Legislative Audit Committee by April 15, 2021, on its efforts to implement these recommendations.*

■ ■ ■ ■

Response

Wisconsin Department of Safety and Professional Services
Office of the Secretary
4822 Madison Yards Way
PO Box 8363
Madison WI 53708-8368



Phone: 608-266-1352
Web: <http://dsps.wi.gov>
Email: dsps@wisconsin.gov

Tony Evers, Governor
Dawn B. Crim, Secretary

March 5, 2021

Joe Chrisman
State Auditor
State of Wisconsin
Legislative Audit Bureau
22 East Mifflin Street, Suite 500
Madison, WI 53703

Dear Mr. Chrisman:

We appreciate the opportunity to respond to the Legislative Audit Bureau's (LAB) review of the Department of Safety and Professional Services' (DSPS) credentialing of certain health care providers pursuant to 2019 Wisconsin Act 185. Thank you for sharing the draft audit report.

We have reviewed the report and accept the report recommendations. In response, DSPS has already begun implementing the recommended process improvements.

We want to thank the LAB staff for its constructive collaboration. We look forward to continuing to work with you in service of the citizens of Wisconsin.

Sincerely,

Dawn B. Crim
Secretary-designee