

Mandate for Change

Healthcare Industry Supply Chain Institute moves forward on vendor credentialing.

By Curtis Rooney



Although the nation's presidential election is over, the theme of both campaigns – i.e., “change” – can be still heard. For example, the HISC I Board of Directors recently met at the HIGPA 2008 Expo to discuss its future steps on vendor credentialing. In 2008, the board commissioned SmithBucklin's Innovation Center to develop a plan of action to work with the HISC I membership on developing solutions to industry challenges. By far, the greatest issue raised by HISC I members was vendor credentialing.

This past spring, HISC I released its Vendor Credentialing Module to members and received significant and positive feedback from many in terms of its relevance, balance and importance. In fact, a number of HISC I member companies and friendly organizations have begun using it as a training program. If you haven't seen it, you should, because it is the most comprehensive educational overview of the issues surrounding vendor credentialing available to date (www.hisci-net.org).


More recently, HISC I received feedback that included a desire to take the next step on vendor credentialing. As a result, HISC I and the SmithBucklin Innovation Center partnered with noted consultant Mark Sumpter to document the real cost of vendor credentialing to healthcare manufacturers, and ultimately healthcare providers and patients. Sumpter, along with myself and Dee Ann Cross from Novation, recently appeared on a panel to discuss the issue, and to discuss his preliminary findings and the plan to move this issue along at the 2008 HIGPA Expo in Orlando, Fla.

Sumpter intends to study the impact of these requirements on one segment of the healthcare market (implants), then make a compelling case on behalf of suppliers to

GPOs and their provider members/clients that vendor credentialing is causing drastic inefficiencies in the supply chain. The plan is to develop a standard, which would be tested in a pilot program. The pilot would be conducted by a GPO, which would document the best practices derived from that experience. Presumably, others in the industry could adopt those best practices.

Sumpter described the irony of listening to companies describe the difficulties they were having with this issue, only

to be disappointed when there was a reluctance to provide the necessary data to document it. Cross said that her GPO, Novation, is very interested in working on vendor credentialing, but didn't see the path forward without active supplier participation. Fortunately, audience participants voiced their concerns and provided HISC I with a mandate for changing the status quo.

As a result, HISC I will develop a survey tool that can be used to obtain vendor credentialing cost information from participating companies. This information will be collected in a confidential manner. Once the appropriate data is collected, a report will be issued, and the work of developing an appropriate standard to be tested in the pilot program can be initiated. Following the development of a standard, HISC I will reach out to the HIGPA community to participate in this important effort. While it is too early to make predictions, both HISC I and HIGPA members should be excited about the opportunity to collaborate on this and other supply chain issues in the future. 

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