

How to Apply the 2007 Joint Commission Standards to Hospital Peer Review

A Practical Guide



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Introduction

The 2007 medical staff standards of The Joint Commission (JCAHO) have strengthened the peer review process. The standards now have explicit requirements for focused and ongoing professional practice evaluations. Credentialing and privileging decisions must now be unbiased and fact-based. The more precise standards are expected to reduce the considerable variation that has existed in hospital-specific peer review and credentialing processes.

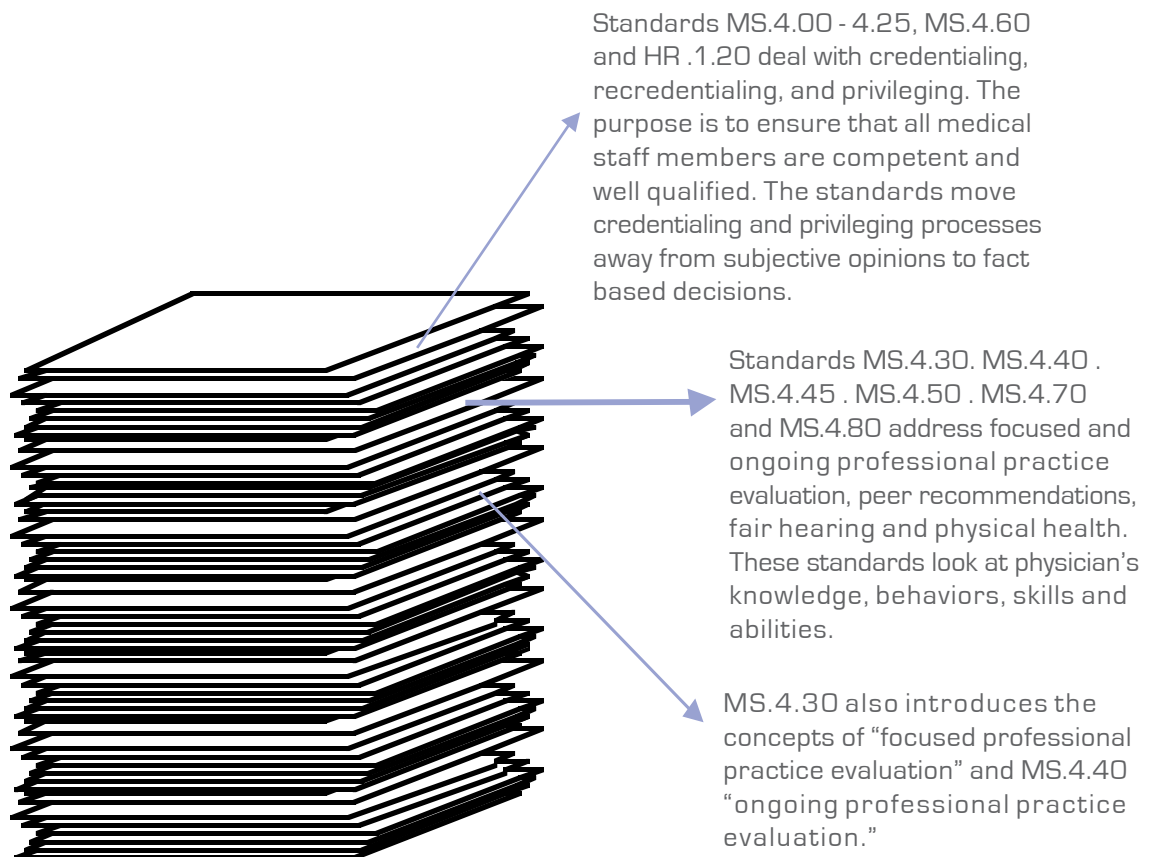
The parameters by which physicians have historically been assessed are no longer adequate in many hospitals. As a result, policies and practices governing both internal and external peer review need revision. This guide clarifies the impact of the 2007 Joint Commission standards and explains what must be done to meet the new medical staff peer review, credentialing and privileging requirements. It also suggests some best practices for managing the expanded role of internal and external peer review.



Joint Commission Standards Affecting Hospital Peer Review

JCAHO standards MS.4.00-4.25, MS.4.60 and HR.1.20 deal with credentialing, recredentialing, and privileging of physicians. These standards are intended to assure that only qualified and competent practitioners are delivering patient care in the facility. The new standards move this determination from a subjective process to one that is evidence-based. Practitioner selection and privileging must now be based on objective assessments of the practitioner’s medical knowledge and clinical skills, as well as evaluations of the practitioner’s professionalism and active participation as a team member in the care system.

Standards MS.4.30, MS.4.40, MS.4.45, MS.4.50, MS.4.70 and MS.4.80 address focused and ongoing professional practice evaluation, peer recommendations, fair hearing protocol and physician health. These standards require review of the practitioner’s knowledge, skills, abilities and behaviors. Two of these standards introduce new concepts: “focused professional practice evaluation” (MS.4.30) and “ongoing professional practice evaluation” (MS.4.40). These concepts, described below, encompass the more explicitly defined peer review requirements found in the 2007 standards.



Joint Commissions Standards



Focused Professional Practice Evaluation

The concept of focused evaluation covering credentialing (MS.4.30) is found in the standards related to proctorship and provisional monitoring. It applies to new applicants for medical staff membership and to practitioners requesting new privileges for which the hospital has no documented evidence of their competence. It may also apply to a practitioner whose current abilities are questioned because of negative performance issues or because an adequate volume of cases are not available to assess current competence.

As defined by The Joint Commission, a “focused evaluation” involves an intense assessment of a practitioner’s credentials and current competence. In the case of initial medical staff appointments, the hospital must check with primary sources to determine whether the practitioner requesting medical staff membership and privileges has the requisite current training, knowledge, skills and abilities. These same parameters must be evaluated for practitioners during the re-credentialing process – with the additional requirement that granting of privileges is based in part on the results of peer review and ongoing professional practice evaluations.

Proctoring is a form of “focused evaluation” involving one-on-one evaluation of a practitioner’s performance by another peer practitioner (a proctor). Direct observation is used to gauge the ability of the proctoree to perform a procedure or use a new technology. Focused proctoree evaluation may occur retrospectively through peer review if on-site, real-time evaluations are not feasible. In the case where “same specialty” peer reviewers are not available internally, external peer review can be used as a viable substitute for on-site proctoring.

Ongoing Professional Practice Evaluation

The concept of ongoing professional practice evaluation (MS.4.40) applies to practitioners who have already been granted patient care privileges. Professional practice evaluation goes beyond traditional case-by-case peer review activities and peer recommendations. These traditional practices must be supplemented by reliable outcome and performance information. This information comes from multiple sources including: aggregate analyses of resource use, practice patterns, and patient outcomes; direct observation; complaints; peer review and comparative performance measurement projects (such as the Joint Commission and Medicare measurement projects).

The scope of review and information needed for an adequate professional practice evaluation is left to the discretion of the hospital and organized medical staff, although the standards do provide some direction. Information gathered during Joint Commission mandated performance improvement (PI) activities must be considered. These activities include evaluations of:

- Medical assessments and treatments
- Medication use
- Use of blood and blood components
- Appropriateness of operative and other procedures
- Appropriateness of care, including significant departures from generally accepted standards of practice
- Autopsy findings
- Adverse events, including sentinel events

The hospital and the organized medical staff must define what additional information is needed to objectively judge a practitioner's ability to provide appropriate, safe and effective patient care. This also includes, but is not limited to, information that allows for assessment of a practitioner's interpersonal and communication skills, professional behaviors, and performance as a team member. Implicit in the concept of ongoing professional practice evaluation is the need for practitioner assessments at least every two years.

How to Conduct Peer Review

Objectivity of the peer review process is vital. Peer reviewers pass judgment on another practitioner's performance, skill, technique and competence. They should have no prejudice about the cases they evaluate. It also means they should have no relationship with the case and no economic motivation to judge the case in a particular manner. To maintain this high level of objectivity, conflicts of interest and personal issues must be eliminated – otherwise there are repercussions.

The process for conducting peer review must also be objective. To achieve this objectivity, it is important to:

- Clearly define the peer review process
- Establish expectations for each physician's behavior and privileges
- Make sure all sides of a case are heard
- Use data to make fact-based decisions
- Apply all policies consistently
- Provide a defined mechanism for physicians to challenge any sanctions

***Best Practice Tip:** Peer review should be educational. Educational peer review, for both the practitioner and the hospital, is a tool for identifying, tracking, and resolving inappropriate clinical performance and medical errors during their early stages. This proactive approach increases patient safety and the quality of care.*

Who Does Peer Review?

Peers are individuals who share the same profession, have similar training, work in similar environments and have similar proficiency in a clinical practice area or specialty. In a group of physicians, peer review means that a "same practice" physician impartially evaluates another's technical, clinical, professional and behavioral performance and personal interactions with peers and coworkers. If the issue being examined is about general medical care then any unbiased physician may be able to function as a peer reviewer. However, if the issue being examined requires specialist knowledge, the peer physician must be competent in that specialty and similarly licensed and trained. In some situations, the peer physician should also be practicing in a similar practice environment.

Peer review committees are comprised of physicians and licensed independent practitioners who meet the qualifications established by the hospital and medical executive committee. Some hospitals establish one independent multi-disciplinary peer review committee. Others choose to create multi-disciplinary peer review subcommittees within medical staff departments. A third approach delegates peer review to the medical executive committee.

Best Practice Tip: *Provide peer review committee members with training to help reduce potential uneasiness about the process. Training should cover topics such as: confidentiality of peer review activities, how to apply the applicable standards of care, how to identify practice patterns requiring more in-depth review, what peer review actions to take and when, and what to do if a knowledgeable, unbiased and objective review cannot be accomplished internally.*

The organizational structure of the peer review process is not as important as the choice of individuals conducting the reviews. It is vital that reviews be conducted by people capable of serving as a “peer” of the practitioner whose performance is under review. Peer reviewers must be able to conduct an objective, impartial, accurate, and informed review. Larger hospitals may have an easier time staffing peer review committees with unbiased, qualified reviewers because they have a larger pool of practitioners. Smaller hospitals may have more difficulty. To overcome this challenge, groups of small hospitals sometimes band together to share peer review responsibilities, form a coalition to expand the availability of unbiased and qualified reviewers, or seek external peer review support from an Independent Review Organization (IRO).

Best Practice Tip: *Create peer review committees with flexible membership capabilities. Allow for addition of ad hoc members to participate on the committee when specialty expertise is needed to evaluate a practitioner’s performance or when current committee members cannot make an informed, unbiased, and objective decision.*

The Role of External Peer Review

The 2007 Joint Commission standards stress the importance of using an external peer review process in those circumstances when an informed, unbiased, and objective internal review is not possible. This includes situations in which medical staff members lack the specialized knowledge needed to evaluate a practitioner’s performance or when members feel uncomfortable about judging the care. In these situations the hospital should have a defined process for engaging an external peer review organization staffed by physicians without conflict of interest who possess the relevant clinical expertise necessary to make accurate, evidence-based judgments about the performance being reviewed.

Best Practice Tip: *In the event there is no peer at the facility able or willing to serve as a peer reviewer, the hospital should make arrangements to have the review conducted externally. The rationale and circumstances for using external peer review should be documented. A sample external peer review policy is provided in the appendix of this guide.*

Peer Review Trigger Points

The 2007 Joint Commission standards explicitly require two types of peer evaluations – focused and ongoing – and these evaluations are part of the credentialing and privileging process. In addition, a number of negative situations might trigger a peer review activity. Below are examples of the types of individual cases that may undergo peer review:

- Unexpected patient death
- Complication
- Delay in diagnosis or treatment
- Wrong site/wrong patient procedure
- Case involving disruptive practitioner behavior
- Inadequate hand-off among practitioners
- Missed or wrong diagnosis
- Successful inpatient suicide
- Case involving a serious patient complaint

Best Practice Tip: *It is acceptable for qualified staff to screen cases for peer review; however the screening criteria must be approved by the medical staff and applied consistently to all cases.*

Case-by-case peer review is not sufficient to meet the intent of the Joint Commission standards. Focused and ongoing evaluations often involve analyses of clinical practice patterns, using evidence-based and comparative data where available. The data to be evaluated for these analyses and the “trigger point” for peer review are defined by the hospital and the medical staff. For instance, the medical staff may routinely review wound infection rate data for all surgeons. A peer review evaluation of one surgeon’s practices might be triggered if that practitioner’s rate exceeds the facility average or national norms.

Best Practice Tip: *Define the “trigger points” or criteria that will prompt further investigation of a practitioner’s performance. The 2007 JCAHO standards strongly suggest that it is no longer acceptable to monitor practitioner performance data without clearly describing the peer review “trigger points.”*

Systematic Peer Review

Peer review may also be done for randomly selected cases, as part of a systematic effort to monitor the performance of a practitioner or a defined practice area. Hospitals that have adopted widely-accepted quality assurance principles use the peer review process as a proactive complement to routine performance data gathering and review. This allows hospitals to validate their performance metrics. It also sets the expectation among practitioners that peer review is a routine and ongoing activity, and not only reserved for sentinel events.



Credentialing, Re-Credentialing & Granting Of Privileges

Strictly speaking, the process of credentialing physicians and licensed independent practitioners and granting of privileges is a peer review activity. The hospital must have systems in place to:

- Investigate and assess the professional and personal backgrounds of every practitioner applying for privileges (initial appointment).
- Assign specific privileges appropriate for the practitioner's training and experience (privilege delineation); and
- Periodically reappoint each member of the medical staff based on performance assessments (reappointment).

Depending on a practitioner's status within the medical staff – a new applicant or an existing practitioner requesting new privileges – the peer review process may involve just a “focused” review” or both “focused” and “ongoing” review.

For the new applicant, the focused evaluation process is used to qualify the practitioner for medical staff membership with specific patient care privileges. A focused evaluation may also be conducted after privileges have been granted to further confirm competence.

Best Practice Tip: *When evaluating a new applicant, have a “peer” practitioner currently on the medical staff review a sample of the new applicant’s cases from other facilities where the applicant currently has privileges. If necessary, use an external peer review organization to supplement this capability when no “same specialist” is available or a conflict of interest exists.*

At least every two years, every member of the organized medical staff undergoes a professional practice evaluation to qualify them for continued membership with specific patient care privileges. This re-credentialing process is prone to becoming a “rubber stamp” procedure in some hospitals, due to the longevity of relationships, staff constraints, time limitations, etc. However, when correctly done, re-credentialing should involve evidenced-based verification of a physician’s knowledge, skills, abilities and behavior. As a result, hospitals increasingly view re-credentialing as a peer review process.

Any time a current medical staff member requests a new privilege, the focused evaluation process is used to qualify that practitioner for the new privilege.

Best Practice Tip: *Before renewing a practitioner’s privileges, have a peer practitioner review randomly selected cases to validate the competence of the requesting practitioner to perform that privilege. Use external peer review when necessary to supplement internal processes.*

In some cases, it is not uncommon for a current member of the medical staff to request privileges for which the hospital has no documented evidence of the practitioner’s competence. This may be due to several different reasons:

- Low volume of cases
- Clinical practice patterns are not included in the performance data routinely reviewed by the medical staff
- No questionable cases underwent peer review

Best Practice Tip: *The Joint Commission standards require that the hospital’s decision to grant, limit, or deny requested privileges is based on clinical performance information. In those circumstances where performance information is lacking for a particular practitioner, randomly selected cases should undergo peer review.*

Common Peer Review Concerns

Because the 2007 Joint Commission standards have upped the ante for knowledgeable, unbiased and objective peer review, some common concerns are emerging. Tips for managing these concerns are covered below.

Communicate Expectations

Often hospitals do not clearly define what is expected of the members of the medical staff. Practitioners do not know how they are being measured unless a common set of expectations are defined. Without these expectations, peer review decisions may appear arbitrary or even capricious. Peer review should not be a subjective process; otherwise practitioners will resist being involved. The recipient of those decisions will most likely challenge subjectively derived adverse peer review decisions.

Best Practice Tip: *The hospital and medical staff should jointly define what is meant by quality of care, appropriate resource use, patient safety, professionalism, and accountability for active participation as a team member in the care system.*

Recognize & Manage Conflicts Of Interest

With the expanded role of peer review within hospitals, managing conflict of interest is one of the biggest concerns. Internal peer review committees must always consider conflict of interest situations among their peer reviewers. Otherwise, cases may be inadvertently sent to an ineligible reviewer. Conflicts that may exist include situations in which the reviewer:

- Is a partner or member of the same practice group as the involved practitioner
- Has a social relationship with the involved practitioner (e.g. both are members in the same small social club)
- Is in competition with the involved practitioner
- Has a referral relationship with the involved practitioner
- Participated in the patient’s care or treatment plan
- Has a financial or other type of relationship with the individual or entity (e.g., family member or personal friend) that referred the case for review
- Has a relationship (e.g. family or friend) with the patient whose case is being reviewed
- Has had prior involvement in caring for the patient whose case is being reviewed

Best Practice Tip: *Committee members should be educated about all potential conflicts of interest. If a conflict exists, the committee chair should be alerted so that another reviewer can be assigned. If not available, an external peer review should be arranged.*

Compensate for Lack of Specialty Knowledge

Many hospitals do not have the internal depth of specialist expertise within all areas to allow for knowledgeable and objective peer reviews in specialty areas. Even when more than one specialist practices at the hospital, conflicts of interest among the specialists may make unbiased peer review difficult.

Finding a suitable “peer” or “like specialist” within a hospital group or small community is sometimes impossible. If a like specialist does exist, more than likely there are issues surrounding personal or professional relationships, perceived competition for patients or other conflict of interests. Yet to conduct a legitimate peer review, it’s important for the practitioner under review to be judged by a “true peer” – that is a practitioner with a similar size hospital with similar capabilities and in exactly the same medical specialty.

Best Practice Tip: Increasingly hospitals are recognizing the importance of engaging reviewers who are “true peers” and who can make objective, evidence-based decisions grounded on the medical facts involved in the case. Independent Review Organizations can help resolve this concern by exactly matching an external reviewer with the practitioner under review.



Using External Peer Review

Every hospital should have a policy explaining when it is appropriate to engage an external review organization for peer review. External peer review provides both organizations and physicians with objective and meaningful medical opinions free from internal perspectives and politics.

Because of their size or location, some hospitals face significant challenges obtaining unbiased, economical, and timely peer review. In addition, in some healthcare environments it is not “safe” for practitioners to openly discuss and review medical cases. External peer review networks involving several hospitals in the same region or external peer review organizations can provide an effective peer review option. External peer review is helpful at times when any of the following conditions exist:

- Conflict of interest compromises objectivity
- The issue under consideration polarizes the medical staff
- Lack of internal expertise to review care in a particular specialty
- A general or specific concern about clinical outcomes
- Staff is unavailable to perform peer review in a timely manner
- Inconsistent or unclear professional standards
- Ambiguity in existing care analyses
- Use of new technology for which the organization has no prior experience
- Fair hearing expertise is needed or anticipated

Hospitals must educate medical staff leaders in performance improvement methods and communicate how these activities intersect with the peer review process. Through this training the hospital is empowering practitioners with the ability to act as change agents for improving patient care quality.

For both the hospital and the peer review committees, the goal is to conduct systematic and credible reviews that yield immediate and long-term improvements in patient care. In some situations this is done by discovering practitioners that need to improve knowledge or skills. Just as often, it is the organization’s systems and processes that need improving. Ultimately, effective peer review can reduce less than desirable patient outcomes, enhance patient safety, and advance quality initiatives within the hospital.

Appendix A: Explanation of External Peer Review

What is External Peer Review?

External review is the process of having an unprejudiced and unknown peer who is an appropriately licensed, board certified, and actively practicing physician or licensed independent practitioner (LIP) in the same medical specialty evaluate another individual practitioner's performance. The evaluation includes identifying opportunities to improve patient care quality.

The external peer reviewer evaluates the practitioner under review and judges the competence of the practitioner or the practitioner's action based on medical evidence. The reviewer submits a written report supported by facts of the case and by current medical literature. Conducting the review using a practicing physician or LIP who is outside the influence of the hospital yet who has the specific subject matter expertise of the practitioner provides an unbiased and medically defensible evaluation.

Purpose of External Peer Review

The purpose of external peer review is twofold: (1) provide healthcare organizations and individual practitioners with objective and meaningful medical evaluations that improve quality of their patient care; and (2) complement internal peer review with an external and unbiased capability when necessary to help ensure that the hospital and its medical staff continually assess the individual performance of practitioners granted clinical privileges and use those assessments to improve the quality of care at the hospital.

External peer review does not replace the hospital's internal peer review processes; rather it augments the process by preventing it from being compromised by internal politics, bias, time constraints, practitioners' interpersonal relationships and competition among practitioners. External peer review addresses the significant challenges associated with gaining unbiased, non-conflicted, economical and timely peer review.

External peer reviewers do not need to be granted privileges at the hospital to conduct peer review for practitioners at the hospital. This is not required by any state or federal laws or the Joint Commission standards.

External Peer Review Goals

- Assist the hospital in improving the quality of care provided by individual practitioners
- Assist the hospital and medical staff in monitoring the performance of all practitioners extended privileges when the hospital medical staff cannot or is unable to fulfill this obligation
- Reduce the possibility of legal or other negative actions by rendering objective, evidence-based, and unbiased decisions for cases reviewed
- Through the external review process, identify possible opportunities to improve practitioner and hospital system performance as requested by the hospital
- Review aggregated data at the request of the medical staff or peer review committee to interpret significant trends regarding quality of patient care
- Provide a peer review option for random cases to systematically validate that a practitioner, department, or specialty treatment meets recognized quality of care standards
- Assure that all information the external reviewer has access to remains privileged and confidential in accordance with medical staff and hospital bylaws, state and federal laws, and regulations pertaining to confidentiality and non-discoverability
- Assist the hospital and medical staff with ongoing professional practice evaluations and focused professional evaluations
- Respond to the hospital and medical staff request for external peer review with in-depth, evidence-based opinion in a timely manner that enables the hospital to make judgments about the quality of care.

When to Use External Peer Review

External peer review is helpful under the circumstances that follow, but is not limited to them:

- Situations in which there are ambiguous or conflicting recommendations from internal reviewers or medical staff committees or when there is not a strong consensus for a particular peer review outcome or recommendation
- Organization lacks internal practitioner expertise to review cases for a particular specialty
- When a medical staff member requests permission to utilize new technology or perform a procedure new to the organization and the medical staff does not have the necessary subject matter expertise to adequately evaluate the training, competence or skills of the requesting practitioner

When to Use External Peer Review - continued

- A practitioner under review requests external peer review and takes responsibility for all costs incurred for the external peer review
- Situations in which personal or economic conflict of interest compromises the objectivity in the peer review process
- Circumstances in which members of the medical staff are partners practicing in the same specialty
- Situations in which the peer review committee is unable to make a determination regarding the quality of care and the committee requests external review
- When hospital staff members or committees with the appropriate authority, such as the quality or risk management committees, medical executive committee, or board of trustees request external peer review
- When the medical staff needs an expert witness for a fair hearing, for evaluation of a credential file, or for assistance in developing a performance benchmark or expectation
- Peer review situations in which there is a potential for litigation
- Situations in which there is a general or specific concern about clinical practice patterns
- Situations in which internal peer review is likely to lead to a corrective action
- Circumstances in which the practitioner under review may make a claim of “anticompetitive conspiracy”



Appendix B: Sample Hospital External Review Policy/Procedure

Criteria for Requesting External Peer Review

Basis for requesting an external peer review based on the organization's standards of professional care or conduct:

- There appears to be a conflict of interest between potential internal peer reviewers and the practitioner under review.
- There appears to be a conflict of interest or dissension between the practitioner under review and the peer review committee.
- There is a substantial difference of opinion regarding the professional conduct of the practitioner under review.
- A professional review action necessitating a fair hearing is anticipated.
- A practitioner has potentially violated a state or federal law and has retained an attorney.
- The practitioner under review is likely to initiate litigation to prevent an adverse peer review decision.
- Other reasons dictated by the circumstances such as legal violations, sexual harassment, inappropriate disruptive behavior, etc.



Who May Request External Peer Review

The following individuals or groups may request an external peer review based upon the organization's standards of professional care or conduct:

- Medical executive committee.
- President of the medical staff.
- Medical peer review committee or committee chair.
- Governing board or board president.
- Hospital president/CEO.
- Medical staff department or section chair on behalf of a member of the department or section.
- Chief medical officer or vice president of medical affairs.
- Quality or Risk managers or their respective committees.
- Individuals with appropriate jurisdiction surveying for regulatory or accrediting organizations (e.g. state and federal agencies or Joint Commission).
- Hospital or medical staff general counsel.

Citing of Need for External Peer Review

When making a request for external peer review the requesting party must cite the perceived need based upon the following guidelines:

- The peer review cannot be conducted in accordance with the Policy for Peer Review by Business Associates (economic relationship precludes an unbiased decision).
- There appears to be a conflict of interest between the practitioner under review and potential peer reviewers (impossible to have an unbiased decision).
- There is a substantial difference in expertise between the practitioner under review and potential peer reviewers (not true peers).
- There is a substantial difference of opinion in the peer review system regarding the quality of care provided in a case or by a practitioner (practitioner denial or peer prejudice).
- The review involves new technology or a new procedure and the medical staff does not have an internal peer review resource (inadequate knowledge).
- Anticipation of a professional review action under the fair hearing process (need unbiased decision).
- Anticipation of litigation (need unbiased decision).
- Other reasons dictated by the situation.

How to Request External Peer Review

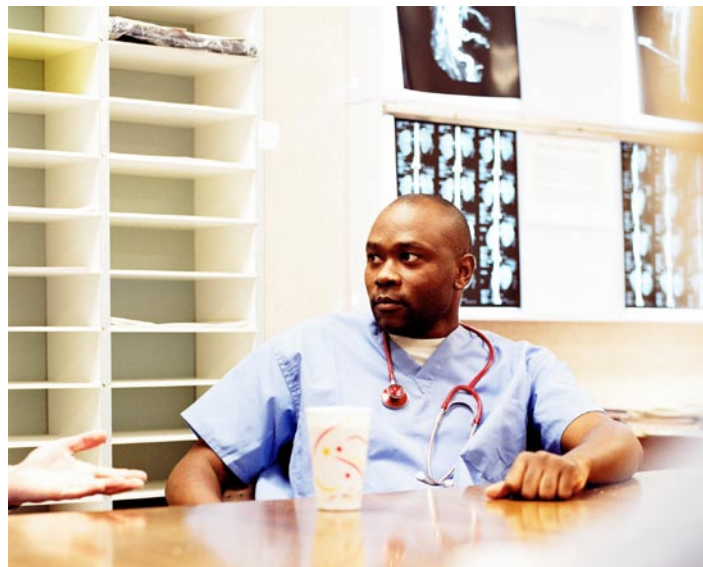
Any request for external peer review must be in writing and directed to the chair of the medical peer review committee or to the president of the medical staff.

- The decision to engage external peer review requires the approval of the following: Chair of the medical peer review committee, chair of the medical staff executive committee or hospital president.
- When the request is approved, the director of quality management will coordinate the external peer review process by providing relevant records and documents to the external peer reviewer and receiving the reviewer's report.

Indemnification

The hospital and medical staff will take the following steps to indemnify the external peer review organization:

- Notify the hospital's insurer when an external peer review organization is retained.
- Avoid the appearance of requesting a specific result or opinion from the external review organization.
- Provide the external review organization with an indemnification agreement.



About AllMed Healthcare Management

AllMed is a URAC-accredited Independent Review Organization (IRO) serving hospital groups, insurance payers, medical and claims managers nationwide. Reviews are conducted by board-certified physicians in active practice and certified to be non-conflicted in every case. AllMed's growing customer base includes premier organizations, such as HCA, Ascension Healthcare, Tenet Healthcare Corporation, American Health Holding, several Blue Cross Blue Shield organizations, TriWest Healthcare Alliance and many other leading healthcare payers.

For more information about hospital peer review services offered by AllMed, please visit the company's web site at www.allmedmd.com or contact AllMed at 800-400-9916.