**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable John Culberson
Chairman, Subcommittee on Military Construction,
Veterans Affairs, & Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The enclosed report is in response to a request in Senate Report 111-295, page 184, accompanying S. 3800, the Department of Defense (DoD) Appropriations Bill, 2011. It provides information on the licensing and credentialing of providers serving in joint DoD and Department of Veterans Affairs facilities and discusses the sharing of credentials verifications in support of the privileging process. It also addresses telehealth technologies and the specific challenges associated with these technologies, due to emerging standards and variation of state regulations.

Thank you for your interest in the health and well-being of our Service members, veterans, and their families. We are proud to serve our Nation's military heroes and their families and are committed to providing them the best possible care.

Sincerely,

Clifford L. Stanley

Enclosure:
As stated

cc:
The Honorable Sanford D. Bishop, Jr.
Ranking Member

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Tim Johnson
Chairman, Subcommittee on Military Construction,
Veterans Affairs, & Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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Clifford L. Stanley

Enclosure:
As stated

cc:
The Honorable Mark Kirk
Ranking Member

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Enclosure:
As stated

cc:
The Honorable Norman D. Dicks
Ranking Member

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Harold Rogers
Chairman Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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The Honorable Norman D. Dicks
Ranking Member

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Joe Wilson
Chairman, Subcommittee on Military Personnel
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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As stated

cc:
The Honorable Susan A. Davis
Ranking Member

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Howard P. "Buck" McKeon
Chairman Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

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Clifford L. Stanley

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As stated

cc:
The Honorable Adam Smith
Ranking Member

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Daniel K. Inouye
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

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Enclosure:
As stated

cc:
The Honorable Thad Cochran
Vice Chairman

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Daniel K. Inouye
Chairman Committee on Appropriations
United States Senate
Washington, DC 20510

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The Honorable Thad Cochran
Vice Chairman

**UNDER SECRETARY OF DEFENSE**
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Jim Webb
Chairman, Subcommittee on Personnel
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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Enclosure:
As stated

cc:
The Honorable Lindsey Graham
Ranking Member

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

The Honorable Carl Levin
Chairman Committee on Armed Services
United States Senate
Washington, DC 20510

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Clifford L. Stanley

Enclosure:
As stated

cc:
The Honorable John McCain
Ranking Member

Licensing and Credentialing of Providers Serving in Joint Service Facilities and for the Utilization of Telehealth Technologies

The Department of Defense (DoD) and Department of Veterans Affairs (DVA) have very similar credentialing processes as both systems' hospitals are accredited by the same organization, The Joint Commission (TJC), an independent, not-for-profit organization, that accredits and certifies more than 18,000 health care organizations and programs in the United States. DoD and DVA don't license their providers but, as part of credentialing, a full and unrestricted license from a U.S. State or Territory is required and verified. DoD and DVA continue to facilitate the credentialing of healthcare practitioners working in both organizations. A December 1, 2010 Memorandum of Agreement has been signed by the Assistant Secretary of Defense (Health Affairs) (ASD(HA)) and the Under Secretary of Veterans Affairs for Health, Veterans Health Administration, that allows for the sharing of credentials verifications in support of the privileging process. The sharing of verified credentials in accordance with this agreement supports provider competency and experience for the privileges to be practiced at each healthcare entity. TJC standards and guidance were the basis of this agreement. The guidance is being incorporated into changes to both Departments' credentialing policies and reduces the time and costs associated with dual credentialing when staff/providers are assigned to both DoD and DVA facilities.

The Agreement between the DoD and the DVA also supports the provision of care by providers in one agency to beneficiaries of the other agency not only through face-to-face encounters, but also telehealth technology. Through the sharing of credentials, the sharing of providers can be expedited. Following the implementation of the Memorandum of Agreement, a Credentials Coordinating Committee was established. This committee is comprised of one subject matter expert in medical staff process identified by each Service, DVA and an ad hoc member from the Office of the ASD(HA). The purpose of this committee is for the communication of information and issues related to this process from participating sites as well as to collect information related to this Agreement. This information includes the number and type of providers who are shared between DVA and DoD and any issues related to the sharing of credentials data or providers.

With respect to the credentialing at the Captain James A. Lovell Federal Health Care Center, a unified organized medical staff has been established comprised of both civilian and active duty providers. The medical staff office supports the credentialing of all healthcare providers at this single facility and all licensed independent practitioners are appropriately appointed to the medical staff at this facility.

<u>There are specific challenges in regard to telehealth technology due to emerging standards and variation of state regulations:</u>

Federal healthcare providers need only one current, unrestricted license in any U.S. state, territory, commonwealth or the District of Columbia. Currently, when a provider not on a Federal reservation is delivering care via telehealth technology, state

licensing boards can impose requirements on out of state telemedicine providers that could require the provider to be licensed in both the state where the beneficiary and the state where the provider is located. The statute specifically addressing DoD preemption of state medical license requirements (10 USC 1094(d)) is limited to providers who are members of the armed forces. It says nothing about civilian employees, personal services contractors, and non-personal services contractors. States typically exempt health care provided in federal hospitals and clinics from state medical practice licensing requirements. However, in the context of telemedicine, states typically consider medical practice to occur in the location where the patient is. Application of licensure requirements is based on that premise. The Federation of State Medical Boards is promoting a special licensing process for telemedicine where a limited license will be granted to a physician who has a full license in another state and who agrees to cooperate in any complaint investigation, but this has not yet been widely adopted. Currently, if a state attempted to enforce its law against a doctor who a federal agency asserts is beyond the reach of the state due to federal preemption, litigation would likely ensue, with unpredictable results.

**Senate Report 111-295.** Credentialing and Licensing of Healthcare Providers

The Committee believes that providing the highest quality of healthcare for our service members, retirees and their families, and veterans must always remain a top priority for both the Department of Defense [DOD] and the Department of Veterans Affairs [VA]. It is essential that systems established to ensure quality care, including the credentialing and licensing of healthcare providers, are responsive to the evolution of new healthcare delivery models. Such new models include the establishment of joint service medical facilities, DOD and VA healthcare facilities, and the delivery of health services via telecommunications technologies.

The Committee directs the Assistant Secretary of Defense (Health Affairs), in coordination with the Under Secretary for Health of the Veterans Health Administration, to report to the congressional defense committees and the House and Senate Military Construction, Veterans Affairs, and Related Agencies Appropriations Subcommittees on the current processes for licensing and credentialing of providers serving in joint service facilities, and joint DOD and VA facilities, including but not limited to the DOD and VA Medical Facility Demonstration Project at Great Lakes, Illinois. The report shall include ways in which those processes can be improved, including proposals for any necessary legislative changes. In addition, this report shall also describe the rapidly evolving programs in both Departments involving telehealth services, and the current policies and procedures governing the quality of clinical practice and clinical providers utilizing telehealth technologies, both within the DOD and VA systems, and, as appropriate, those utilizing non-DOD or VA providers. The Committee directs that the report contain an analysis of the specific challenges involving credentialing of providers at joint service facilities, joint DOD and VA facilities, and at individual DOD and VA facilities utilizing telehealth within and among States, and what effect, if any, those challenges present to the continuity of high-quality healthcare, both among and within DOD and VA systems. The Committee directs that the report be provided to the Committees by March 4, 2011.

## Health Affairs - TRICARE Management Activity
## Reports to Congress
## Estimated Cost for Report Preparation

**TITLE:** Licensing and Credentialing of Providers Serving in Joint Facilities and for the Utilization of Telehealth Technologies

**DATE:** 3-Mar-11

| Hourly Rate* | # Hours | Cost | |
|---|---|---|---|
| $82.87 | 40 | $3,314.80 | Govt. Employee |
| $82.87 | 6 | $497.22 | Military |
| $82.87 | 6 | $497.22 | Research/Contractor |
| $0.60 | 230 | $138.00 | Printing Cost/Page |
| $0.00 | 0 | $0.00 | Special Priniting Costs/Binding |
| | | **$4,447.24** | **TOTAL COST** |

* Hourly Rate Includes Benefits