



Pharmacist Credentialing and Technology Standards Executive Summary

August 2023

PURPOSE

The National Council for Prescription Drug Programs (NCPDP) is a not-for-profit organization that develops and promotes standards and guidelines for the exchange of healthcare-related information, including prescription drug data.

Pharmacists continue to evolve their role in healthcare by not only providing for the safe dispensing of medications to their patients but also advancing the services they provide as part of their scope of practice as provided for through their licensure from the Boards of Pharmacy. Pharmacists continue to advance their practice through activities such as Collaborative Practice Agreements and Value-Based Care contracting.

NCPDP's Three-Year Strategic Plan aims to establish a framework to support value-based healthcare models with enhanced patient outcomes. Evolving NCPDP standards can facilitate this approach.

In value-based care, providers, including pharmacists, must affirm their credentials during the contracting process. This summary highlights credentialing's importance, standards, technology, and challenges related to pharmacist involvement in value-based care.

DEFINITIONS

Definitions of Credentialing and Privileging in a Health Care Setting¹:

Credential: A credential is documented evidence of professional qualification, competency, or authority issued to an individual by an entity with authority to grant the credential. Examples: Academic degrees, state licensure, residency certificates, training certificates, statements of continuing education credit, and board certifications.

Credentialing: The process by which an organization or institution obtains, verifies, and assesses an individual's qualifications to provide patient care services.

Privilege: A privilege in the context of health care is the permission or authority granted by a hospital, network, or other health care institution or facility to a health care professional (e.g., physician, nurse practitioner, pharmacist) to render specific diagnostic, procedural, or therapeutic services. Examples: General privileges—admitting a patient to a hospital or specific clinical services. Pharmacist-focused privileges—recommending pharmacokinetic dosages, ordering lab values, or monitoring anticoagulation therapy.

Privileging: The process by which permission or authorization is granted by a hospital or other health care institution or facility to a health professional (e.g., physician, nurse practitioner, pharmacist) to render specific diagnostic, procedural, or therapeutic services.

¹ <https://www.pharmacist.com/Portals/0/PDFS/Practice/apha-practice-perspectives-credentialing-document.pdf?ver=4Bu43vjT5LxewJsKzyZYnA%3D%3D>

INTRODUCTION

Pharmacists play a vital role in patient care, ensuring safe and appropriate medication use and monitoring treatment responses. For pharmacists to participate in value-based arrangements, having the necessary credentials is crucial for patient well-being.

Credentialing is the process of assessing a licensed medical professional's qualifications and expertise in a specific field. While typically voluntary, some programs, like collaborative practice agreements or value-based arrangements, may require it. Uniform pharmacist credentialing faces challenges, such as the absence of a trusted centralized data source, universal credentialing sources, and a clear understanding of the need for such credentials.

PHARMACIST CREDENTIALING

Pharmacist credentialing is the process by which a pharmacist's qualifications and experience are verified and evaluated to ensure that they meet the requirements of a specific organization, such as a hospital, health plan, or pharmacy benefit manager or as it relates for pharmacist involved value-based care arrangements, the provisions outlined within the contractual relationship, usually with a health plan.

Pharmacist licensure ensures entry-level qualifications and competency to practice the profession. All 50 states require pharmacists to complete continuing education (CE) as a part of their licensure renewal process. Post licensure credentials express a deeper level of knowledge and understanding, usually targeted to a specific area of expertise.

The following are some steps involved in the pharmacist credentialing process as it relates or ties to inclusion as a clinical contributor in a value-based agreement:

- **Verification of information:** The contracting organization verifies the information provided by the individual pharmacist(s), which may include verifying the pharmacist's licensure status, education, and work experience.
- **Background check:** The contracting organization may conduct a background check on the pharmacist to confirm the lack of criminal history or other negative information that would disqualify the pharmacist from providing patient care services.
- **Review:** The pharmacist's documents are reviewed by the contracting organization, evaluating the pharmacist's qualifications and experience to determine if they meet the organization's standards for inclusion and engagement in the clinical care as defined in the value-based agreement.
- **Notification:** The pharmacist is notified by the contracting organization of any need for additional information or clarification and/or acceptance by the contracting organization of inclusion in the value-based arrangement. Throughout the defined arrangement, pharmacists may be required to complete ongoing education and training in accordance with the parameters outlined in a value-based agreement.

The credentialing process varies depending on the organization and services to be offered. State laws within the U.S. regulate pharmacist credentialing and provider status, affecting practice scope and reimbursement. Some states have continuing education requirements to ensure pharmacists are qualified for clinical services. Others grant pharmacists authority for specific clinical tasks, allowing billing for services under provider status laws.

In addition to state laws, federal laws also impact pharmacist credentialing and provider status. For example, the Affordable Care Act (ACA) established a Medicare Part B benefit for medication therapy management services provided by pharmacists, allowing pharmacists to bill for these services under certain conditions.

Laws and regulations on pharmacist credentialing and provider status affect pharmacists’ roles, responsibilities, and billing capabilities in healthcare. Staying updated on these laws is vital for pharmacists and healthcare organizations to comply, seize opportunities to expand practice, and enhance patient care.

As pharmacist roles and responsibilities continue to increase, the National Alliance for State Pharmacy Association Executives keeps track² of advancements in state-level provider status³ and pharmacist scope of practice. These practice advancements underscore the importance of maintaining individual credentials and utilizing a standardized platform to store and manage these credentials.

Education and training are important components to credentialing, however, due to the large number of credentials open to pharmacists, this training is understandably diverse and may include things such as hands on activities, didactic learning, residency programs, clinical experience hours and continuing education programs. The table below highlights some examples of categories of pharmacist credentials.

Examples of Categories of Pharmacist Credentialing

Pharmacist Specific Credentials	Credentials Available to Multiple Disciplines
Doctor of Pharmacy (PharmD) degree: schools and colleges of pharmacy	Certified Asthma Educator (AE-C): National Asthma Educator Certification Board
Pharmacy license: State boards of pharmacy	Certified Diabetes Care and Education Specialist (CDCES) Certification Board for Diabetes Care and Education
Statements of credit or certificates of completion: accredited pharmacy continuing education providers	Certified Anticoagulation Care Provider (CACP): National Certification Board for Anticoagulation Providers
Board certifications: Board of Pharmacy Specialties	

*[Reproduction of table produced by the APhA](#)

² <https://naspa.us/resource/2022-provider-status-legislative-update/>

³ <https://naspa.us/restopic/state-level-provider-status/>

HEALTH PLANS AND PHARMACIST CREDENTIALING

In value-based care, pharmacists play a critical role in medication management and patient education, which are essential components of achieving positive patient outcomes. Credentialing serves as a vital process to verify the qualifications and competencies of healthcare providers, including pharmacists, enabling them to deliver efficient and high-quality care.

Many experts have previously asserted that credentialing processes implemented for pharmacists should closely align with those used by other health care providers. Treating pharmacists similarly to other providers supports the integration of pharmacists as providers of patient care services throughout the health care system.⁴

To support value-based care, health plans should establish credentialing requirements that align with value-based care goals and objectives. Some key requirements for provider and pharmacist credentialing include:

1. **Certification and Training** - Credentialing should verify that pharmacists have the necessary certifications and training to manage medications and provide patient education effectively. This includes verifying that pharmacists have completed continuing education courses to keep their knowledge and skills up to date.
2. **Quality Metrics** - Health plans should establish credentialing requirements that measure provider and pharmacist performance using quality metrics that align with value-based care goals. These metrics can include medication adherence rates, patient satisfaction scores, and other outcome measures that demonstrate the effectiveness of care.
3. **Care Coordination** - Value-based care emphasizes interdisciplinary collaboration and care coordination, health plans should establish credentialing requirements that support this approach. For example, health plans may require providers and pharmacists to demonstrate their ability to collaborate effectively with other members of the care team.
4. **Continuity of Care** - Health plans should establish credentialing requirements that support continuity of care for patients, such as requiring providers and pharmacists to maintain accurate and up-to-date patient records and communicate effectively with other providers involved in a patient's care.
5. **Technology Standards** - Health plans should require providers and pharmacists to adhere to technology standards that support value-based care, such as standards for electronic health records and secure information access, exchange, and use.

⁴ <https://www.pharmacist.com/Portals/0/PDFS/Practice/apha-practice-perspectives-credentialing-document.pdf?ver=4Bu43vjT5LxewJsKzyZYnA%3D%3D#:~:text=Credentialing%20requires%20providers%20to%20present,of%20malpractice%20for%20review%20and>

By establishing these credentialing requirements and technology standards, health plans can support the delivery of high-quality, efficient care that improves patient outcomes and reduces costs. Healthcare providers, including pharmacists, should prioritize meeting these requirements to ensure they can participate in value-based care programs and deliver the best possible care to their patients.

In summary, pharmacist credentialing is critical to ensuring pharmacists can effectively contribute to value-based care delivery models. By verifying that pharmacists have the necessary qualifications and competencies, healthcare organizations can ensure that they have the right expertise to deliver high-quality, efficient care and achieve positive patient outcomes.

TECHNOLOGY AND DATA STANDARDS

Technology and data standards are important in supporting efficient and effective credentialing processes. Standardization of data and systems can improve the accuracy and timeliness of credentialing, reduce errors and inconsistencies, and enable seamless credentialing information exchange.

Pharmacist credentialing software is a type of software that helps pharmacists self-manage their credentialing information and automate the credentialing process. The software can store and track credentials, automate the renewal process, and send alerts when credentials are about to expire.

Despite the current technology available, there is a lack of a centralized, trusted source of verified data for pharmacists. This is a gap in healthcare previously identified by the American Pharmacist Association. “The expert panel observed that a trusted, centralized source of verified data regarding pharmacist credentials that is accessible for appropriate stakeholders is an important step in creating the infrastructure to support recognition of pharmacists as patient care providers by payers.”

The industry’s perspective on the lack of a trusted source was also verified via a NCPDP led Stakeholder Action Group held July 25, 2022.

[See Appendix](#) for information on key technology and data standards.

CREDENTIALING - NCPDP AND OTHER ASSOCIATIONS

Along with NCPDP, there are other, organizations and associations focused on pharmacist credentialing such as the American Pharmacist Association (APhA), the American College of Clinical Pharmacy, the American Society of Health System Pharmacist, and the Council on Credentialing in Pharmacy

For over 30 years NCPDP has maintained accurate “pharmacy” related information, providing a valuable trusted source of confirmed pharmacy related information including but not limited to the National Provider Identifier (NPI) and National Council for Prescription Drug Programs Provider Identification (NCPDP ID) numbers for pharmacies. NCPDP offers a single resource for complete, up-to-date **pharmacy credentialing** data to streamline credentialing efforts and to comply with government regulations via its [resQ™ Pharmacy Credentialing Resource](#) solution.

Although NCPDP does not directly participate in pharmacist credentialing, the organization's resources and standards can play a supportive role in the credentialing process. As previously indicated, the industry, when surveyed on the matter indicated there is a need for a trusted source of credentialed information.

To support the advancement of pharmacists providing clinical services, growth in value-based care efforts as well as the timely verification needs of health plans and other stakeholders, NCPDP should consider expanding its current resQ™ product or developing another dedicated solution for pharmacist credentialing. This could be done singularly by NCPDP or in partnership with others, such as the APhA. By becoming the trusted source for pharmacist credentials, NCPDP can facilitate value-based care initiatives and other contracting opportunities for pharmacists, ultimately enhancing the quality and effectiveness of healthcare services provided by pharmacists.

Support for a Central Database

Many respondents expressed that having a central location for storing credentialing information was important.

Q. *How important is it for you to have a central location to house your credentialing information (i.e., certifications, CE, trainings, or licenses)? (n=352)*

- 69% — Very important
- 26% — Somewhat important
- 5% — Not too important
- 1% — Not at all important

Pharmacists reported that they would be interested in using a nationwide, centralized, secure pharmacist credentialing data storage and verification service to house credentialing and other professional information (i.e., keep track of CE, verify license and certification status, etc.).

CONCLUSION

Pharmacist credentialing ensures the competency and quality of pharmacy practitioners through rigorous education, training, licensure, and ongoing development.

Credentialing validates qualifications, expertise, and adherence to ethical standards, earning trust from patients, providers, and regulators. Adapted to evolving healthcare, pharmacist credentialing recognizes specialized areas of practice, fostering interdisciplinary collaboration and improving patient care outcomes.

While pharmacist credentialing plays a crucial role in maintaining the quality and competence of pharmacy practitioners, there are several challenges that need to be addressed to improve the process. Some of these challenges include:

1. **Standardization:** Variations in credentialing requirements across jurisdictions create inconsistencies and barriers for pharmacists working in multiple locations.
 - a. Implementing standardized criteria and qualifications would streamline the process and facilitate professional mobility.
2. **Continuous Professional Development (CPD):** Ensuring access to high-quality, relevant, and affordable continuing education programs is essential for pharmacists' ongoing development.
 - a. Developing robust and accessible CPD resources aligned with healthcare advancements would enhance their skills.
3. **Cost and Accessibility:** The costly and time-consuming nature of credentialing makes it difficult for some pharmacists, especially those in rural or underserved areas, to meet the requirements.
 - a. Efforts should be made to reduce the financial burden and increase accessibility.
4. **Technological Integration:** Embracing technology solutions, such as digital platforms for documentation and verification, would streamline the credentialing process, improve efficiency, and reduce paperwork for both pharmacists and credentialing organizations.
 - a. Building, enhancing, and integrating a digital platform of up-to-date, trusted pharmacist credentialed information should be evaluated.
5. **Recognition of Specialized Skills:** Pharmacists with specialized skills and advanced training might face challenges in having their expertise recognized within the credentialing process.
 - a. Developing pathways for acknowledging, validating and exposing these specialized skills would enhance credibility and support pharmacists in specialized roles.
6. **Interprofessional Collaboration:** Strengthening collaboration and communication among stakeholders, including regulatory bodies, professional organizations, and healthcare institutions, would align credentialing requirements, reduce redundancies, and improve overall effectiveness and efficiency.

- a. Collaboration with pharmacist national associations, state and federal policymakers to standardize criteria should be prioritized as a strategy to improve the pharmacist credentialing process.

While pharmacist credentialing is essential for upholding the quality and competence of pharmacy practitioners, it faces several challenges that require attention to enhance the process. Addressing issues such as standardization, continuous professional development, cost and accessibility, technological integration, recognition of specialized skills, and interprofessional collaboration will be crucial in improving pharmacist credentialing. By overcoming these challenges, we can ensure a more efficient, standardized, and supportive credentialing system that empowers pharmacists to provide the best possible care and contribute effectively to the evolving healthcare landscape.

Drawing from NCPDP's extensive experience in establishing standards and supporting pharmacists as care providers, we are considering an expanded role to address the challenges in healthcare related to pharmacist credentialing. Our depth of understanding and industry solutions for pharmacies and pharmacists positions us well to tackle these issues effectively.

APPENDIX

Key Technology and Data Standards that Support Pharmacist Credentialing

- **National Provider Identifier (NPI)** - A unique 10-digit identifier assigned to healthcare providers, including pharmacists, by the Centers for Medicare and Medicaid Services (CMS). NPI is widely used in healthcare transactions, including credentialing.
 - Pharmacists who are licensed to provide patient care services, such as medication therapy management or immunizations, are eligible to apply for and obtain an NPI. The NPI is used to identify the pharmacist in various healthcare transactions, such as submitting claims for reimbursement from insurance providers or billing Medicare or Medicaid.
 - Having an NPI is an important aspect of pharmacist credentialing, as it is a requirement for many healthcare organizations and insurance providers.
- **The Council for Affordable Quality Healthcare (CAQH)** is a non-profit organization that provides a platform for healthcare providers to manage their credentialing information and submit it to participating health plans. CAQH offers a service called the Universal Provider Datasource (UPD), which is a centralized repository of provider information that can be accessed by participating health plans.
 - Pharmacists can also use the UPD to manage their credentialing information and share it with participating health plans. By using the UPD, pharmacists can streamline the credentialing process and avoid the need to complete separate credentialing applications for each health plan.
 - The UPD allows pharmacists to store their professional and practice information, including their NPI, state licenses, education and training, malpractice insurance, and other credentials. Pharmacists can also update their information as needed and share it with participating health plans at no cost.
 - In addition to the UPD, CAQH also offers a service called ProView, which allows healthcare providers, including pharmacists, to create and maintain an online professional profile that can be shared with participating health plans and other healthcare organizations.

- **The Accreditation Council for Pharmacy Education (ACPE)** is an organization that accredits professional degree programs in pharmacy and providers of continuing pharmacy education. The benefits of ACPE accreditation include:
 - Ensuring quality education: ACPE accreditation ensures that pharmacy schools and continuing education providers meet rigorous standards for quality education. ACPE-accredited programs are evaluated regularly to ensure that they are providing students and pharmacists with the knowledge and skills needed to provide safe and effective patient care.
 - Eligibility for licensure: ACPE accreditation is a requirement for graduates of pharmacy schools to be eligible to take the North American Pharmacist Licensure Examination (NAPLEX) and obtain licensure to practice as a pharmacist. Without ACPE accreditation, graduates may not be eligible for licensure in some states.
 - Professional recognition: ACPE accreditation is widely recognized as a mark of quality in the pharmacy profession. ACPE-accredited programs are recognized by employers, professional organizations, and other stakeholders as meeting high standards for pharmacy education.
 - Ongoing quality improvement: ACPE accreditation requires pharmacy schools and continuing education providers to engage in ongoing quality improvement activities, such as self-study, peer review, and programmatic assessment. This ensures that the programs are continually improving and adapting to meet the changing needs of the pharmacy profession and healthcare system.

- **The American Pharmacist Association – (APhA)** is a professional organization representing pharmacists in the United States. The APhA is the largest association of pharmacists in the country. Its mission is to promote the profession of pharmacy and support pharmacists in their roles as healthcare providers.
 - The APhA [Certificate Training Programs](https://www.pharmacist.com/Education/Certificate-Training-Programs) focuses on Immunization, Medication Therapy Management, Patient Centered Diabetes Care, Travel Health Services, Test and Treat, Comprehensive Pain Management, and Immunization Administration by Pharmacy Technicians
 - Immunization Details - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Immunization>
 - Medication Therapy Management - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Medication-Therapy-Management>
 - Patient Center Diabetes - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Diabetes-Care>
 - Travel Health Services - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Travel-Health>
 - Test and Treat - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Pharmacy-Based-Test-And-Treat>
 - Comprehensive Pain Management - <https://www.pharmacist.com/pain-management>

- Immunization Administration by Pharmacy Technicians - <https://www.pharmacist.com/Education/Certificate-Training-Programs/Technician-Immunizations>
- APhA has a self-reportable, free-to-use Pharmacist Profile solution. APhA reports the ability of Pharmacist to self-report and display their verified credentials and to be used by payers, employers, and others to verify information in one place - <https://www.pharmacyprofiles.com/>.

Software Vendors and Other Technology

There are several leading pharmacist credentialing software vendors, including IntelliSoft Group, Cactus Software, Symplr, VerityStream, and MD-Staff, each with their own features and capabilities. Pharmacist credentialing software is just one of the technologies available to support pharmacist credentialing.

In addition to databases, blockchain technology, telehealth platforms, and artificial intelligence, the following are additional specifics relative to pharmacist credentialing associated with blockchain technology, telehealth platforms and artificial intelligence.

- Blockchain technology can be used to create a secure, decentralized platform for storing and sharing pharmacist credentialing information. This technology can help to reduce errors and inaccuracies in credentialing information and improve the efficiency of the credentialing process.
- Telehealth platforms can be used to facilitate virtual credentialing interviews and meetings, which can save time and reduce the need for travel.
- AI can be used to automate the credentialing process and streamline the verification of credentials. For example, AI algorithms can scan and verify credentials such as licenses, certifications, and degrees.

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Kim is a Senior Advisor/Consultant with Boyd Consulting Group, LLC, with more than 25 years of experience in healthcare specializing in strategic planning, healthcare policy, interoperability, HIT and standards. She is a long-standing NCPDP member, a NCPDP Board of Trustee, Strategic Planning Committee Chair and Value Based Agreement subcommittee co-lead. Kim also serves as coordinator of the HL7® CodeX™ Prior Authorization in Oncology Use Case.

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Kristol bring a pharmacist's perspective to the Value Based Arrangement subcommittee and has contributed significantly to the advancement of the pharmacist credentialing initiative within NCPDP. She is a leader within NCPDP due to her commitments including Precision Medicine subcommittee lead, co-lead of several task groups, Work Group 20 – Coordination of Care & Innovation Co-Chair, and Emerging Professional Fellow. Kristol was awarded the 2023 Rising Star Award.

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