

Case Study

National Managed Care Organization

Value-Based Payment Optimization

Situation

- Recent staff turnover and growth of clinical costs created need to quickly improve Managed Care insurance payment rates for Long-Term Care business
- Managed Care discussions around Value Based Payment (VBP) required financially modeling and strategic assessment to ensure success of VBP program implementation
- Numerous Managed Care plans had outstanding Accounts Receivable due to client issues and required near-term cash flow relief

SMA Services



Actions & Impact

- Reviewed largest patient volume and lowest rates vs. market to target initial Plans for improvement discussions
- Modeled current VBP programs and identified potential strategic opportunities to negotiate contract enhancements to improve likelihood of client success
- Created proposals and reviewed with client to position new proposed rate structures and/or contract terms
- Utilized client's Plan contacts, as well as industry contacts to position new rate proposals
- Delivered projected revenue improvement with >80% of the Managed care plans identified meeting or exceeding target market rates
- Negotiated accounts receivable improvements and received cash commitments for older AR

Results

