

Payer Compliance

Secure your bottom line with payer strategy and relationships

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Objectives

- Payer compliance with contractual agreements affects the bottom line of every healthcare facility. Joint Operating Committee (JOC) meetings with payers should focus on trended/tracked issues.
- The entire Revenue Cycle (RC) should participate in the JOC; leaders must be knowledgeable regarding state and federal regulations that pertain to their areas of expertise. Changes are rapid; RC must remain in compliance with each payer or risk losing revenue, and receive sanctions or penalties.
- Large payers are in the top 50 most profitable companies in the US. RC teams should ensure correct, accurate payment to grow facilities revenue by challenging the status quo and routinely reviewing policies and procedures.

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Healthcare Financial Management Responsibilities

- Healthcare organizations must meet regulations (e.g. accreditation, certification) to qualify for reimbursement from many third party payers.
- Healthcare organization must comply with relevant local, State and Federal health care laws, regulations, and Office Of Inspector General (OIG) statutes
- Third Party Payers account for > 80% of healthcare operating revenue
- Financial managers must be responsive to the **needs of third-party payers**; treat as 'valued customers.'
- Financial managers must be responsive to the patient as a **customer**. The patient has influence over the third-party payer.

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Contracting Process

- Payer specific strategy
- Decision making process
- Coalition building and ongoing relationship management
- Pricing, rate and language standards
- Content expertise

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Roles & Responsibilities

- Implements Contracts
 - Distribution
 - Education
 - Operations
- Manages Internal and External Relationships
 - PSO/Revenue Cycle Meetings
 - Hospital Association Managed Medicaid Meetings
 - Payer Joint Operating Committee (JOC) Meetings

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Roles & Responsibilities

- Establish and nurture collaborative relationships
- Share information
- Support team efforts

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Communication Tools

Provided by PSR:

1. Meditract-contract language for: terms, appeals, medical records
2. JOC meetings facilitation
3. Payer newsletters, provider manuals, new policies-monthly
4. Par/Non Par lists-monthly
5. Provider Representative Contacts-when updated

Directors/Managers-to access and share pertinent information with downstream staff

1. Payer websites
2. State Regulations
3. Federal Regulations
4. Internal escalation with provider representative contacts

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Examples

- Payer Newsletter Review (Managed Care Distribution List)
- Provider Manual Review
- PSO Newsletters (quarterly)
- Par/Non-Par List
- Physician Roster
- Quality Tracker
- COE Reporting
- Objection Letters

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Common Goals

1. Triple Aim: Better Care for individuals, Better Health for Populations and lower per capita costs (IOM, 2013)
2. Goal is to avoid: Fraud, Waste and Abuse (IOM, 2013)
3. Healthcare is 1/6th of the US economy-up 260% since 1960 (CNBC, 2018)
4. Per Center for Medicare Services, 2017, Spent 3.5 TRILLION on Healthcare
5. Projection by CMS for 2020, spending 8.7 TRILLION
6. **PSR Goal: invigorate internal communications to hold payers accountable and assist in contract improvement negotiations**



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How to avoid fraud, waste and abuse

- Expect to spend at least 50% of time administering regulatory requirements
- Do remember that if it is not documented, it didn't happen
- Don't anticipate to just 'write it off'
- Document specificity for continuity, quality of care

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How to avoid fraud, waste and abuse

- Do tell the patient's story
- Don't embellish or up-code – just be accurate
- It's the right thing to do
- Help us to help you!

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The "New Normal"

COVID prevented healthcare benefit use, therefore payers are recording record excessive profits:

- Anthem up 50%
- Cigna up 25%
- United Healthcare up 50%
- Centene up 50%

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The “New Normal”

- Healthcare sector is unlikely to stabilize until a COVID-19 vaccine is widely available. (Becker's Hospital CFO, 7/17/20)
- Leading to more working from home-changes that may be permanent. New Challenges.
- Great Technology abounds but People are our weakest link. The front line staff turnover is high, many using job assists. Clarify with supervisors and go up the ladder, ask for a manager, Verify. Verify. **VERIFY**

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Questions?



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Thank you!

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