

Payer Strategy – Dental (DSO)

Client Profile

Size
43 Clinics

Specialty
Dental

Services Deployed



Consulting



Payer Strategy



Financial Analysis



Regulatory Research

Overview

SCALE was engaged by a Dental Services Organization (DSO) participating with a Managed Care Organization (MCO) providing dental services to Medicaid recipients for which a rate reduction was imminent. The engagement included providing financial analyses to quantify service line impact, payer contract review and strategy development to improve their rate position.

- + The Client is a comprehensive provider of dental services in the US operating in Medicaid-focused clinics.
- + The Client has multiple providers who perform oral surgery in addition to pediatric and adult dental hygiene services, setting them apart from other provider groups.
- + They serve a mix of Medicaid and commercial patients with a large population of children at 43 clinics across the entire state.

Execution

SCALE Payer Strategy and Consulting business segments conducted a thorough financial analysis of proposed rate reductions supported by contract review, a regulatory assessment, and research on the Medicaid network in the state.

SCALE developed a comprehensive strategy to counteract proposed rate cuts:

- + Financial analysis of all clinic locations, revenue, profits, and risk of potential reductions.
- + Contract review of terms regarding rate change notifications, dispute resolution, and termination of contract.
- + Review of the current dental MCO contract.
- + Research on legislative and regulatory requirements e.g., Medicaid funding obligations.
- + Market data on the size of the provider group relative to the entire Medicaid market and network adequacy requirements.
- + SCALE recommended strategic contractual and service line scenarios to improvement to improved rates.
- + Additionally, leveraged stakeholder relationships through multiple meetings to advance to the client's objectives.
- + Initiated and progressed with prompt payer communication throughout the negotiation process.

Results

As a result of discussions with the MCO, rate reductions were brought down by 50% and a Memorandum of Understanding was negotiated to solidify non-contractual terms and strengthen a continued partnership.

- + SCALE quantified potential losses and prevented rate reductions from being implemented as originally proposed by the MCO.
- + Other administrative issues were addressed during the payer-provider negotiation process related to prior authorizations, preferred provider status, and patient panel management.