

Payer Strategy – Behavioral Health MSO

Client Profile

Size

11 practices

Specialty

Behavioral Health MSO

Services Deployed



Payer Strategy



Market Analysis

Overview

SCALE was engaged by a Behavioral Health Management Services Organization (MSO) to assist with payer contract review, contract strategy development, and contract renegotiation with multiple payers across their Commercial lines of business.

- + The Client is a Behavioral Health MSO with 11 practices across 14 states.
- + MSO is expanding, adding new affiliates.
- + The Client retained SCALE to increase efficiencies in payer contract review and renegotiation for their groups to improve profitability.

Execution

Phase 1 - Strategic Development:

- + SCALE Payer Strategy evaluated 31 Total Contracts.

Phase 2 - Renegotiation:

- + Thirteen contracts moved to Phase 2 which were eligible for renegotiation.
- + Eight contracts added at the request of the Client.

SCALE developed an extensive payer negotiation strategy based on market considerations for each behavioral health practice.

- + Completed an in-depth analysis of contracted rates and contract terms, e.g., current rates relative to a Medicare benchmark.
- + Completed rate comparisons across payers and a financial analysis on the net impact review of current versus proposed rates.
- + Initiated payer conversations, progressed each contract with prompt payer communication throughout the negotiation process, evaluated each counterproposal based on the practice specifics, and counseled the Client on the recommended courses of action.

Results

As a result of SCALE's assistance in payer negotiations, the group secured significant increases in their Commercial rates.

- + Secured reimbursement rate increases in the Commercial line of business, resulting in a combined six-figure lift across several practices.
- + Accomplished improvement of contract terms.