Managed Care Contract Modeling:
Powering More Effective Payor Negotiations

To support a successful contract negotiation with payors, providers must assess the actual impact of contracts -- both current and proposed -- on hospital revenue. In fact, as hospital contracts become increasingly complex, it is essential senior leadership teams gain greater visibility into contract performance and develop a thorough assessment of contract value through sophisticated contract modeling scenarios.

Leveraging our extensive expertise in helping hospitals extract more value from the managed care function, iVantage's powerful contract modeling solution enhances a hospital's ability to evaluate the performance of current managed care contracts as well as new payor proposals.

This unique solution is designed to address such complex questions as:

- How do actual payments compare to those expected? Which service lines have the greatest payment discrepancies?

- What is the difference in yield between the current and the proposed contract? How do the current and proposed contracts pay relative to Medicare?

- How much payment would be forfeited under the proposed contract due to lesser of language? Which service lines would be most affected by a change in the Charge Master?

- What is the impact of outlier payments?

- How would changes in the rates and terms of the proposed contract affect the yield?

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The contract modeling analyses conducted by iVantage’s managed care experts yields important information which can be used to more effectively negotiate with payors:

- Actual vs. expected payments for current contracts
- Payment variances at the service line level (can drill down to the claim level if needed)
- Differences between current vs. proposed contracts - with drilldown by service line and outlier type, thus enabling hospitals to develop a targeted negotiation strategy
- Quantified impact of lesser-of language and model the impact of an across-the-board chargemaster increase
- Summarization of the analysis at an executive level and model proposal changes if requested

**Expertise You Can Trust**

We can augment your in-house managed care team as they face the challenging – yet critical – task of negotiating contracts with payors. iVantage will deliver powerful data analysis, modeling reports and executive level summaries which will assess existing payor contracts and model various reimbursement combinations to help you understand and anticipate the impact of proposed payor contract terms to the bottom line.

Leverage our deep industry experience, sophisticated analytic tools and a proven track record of aggressive negotiations. This powerful solution is built to help hospitals – from rural and Critical Access Hospitals to independent providers and national health systems – improve rates, terms and other conditions to achieve a more balanced contract with payors.

**The iVantage Difference**

**iVantage Health Analytics** combines public and private data with proprietary analytics and modeling to drive clinical and financial performance improvement, strategic planning, market assessment and contract optimization. Our analytics also inform healthcare industry policy, research and thought leadership. iVantage is part of **The Chartis Group**, a national advisory services firm dedicated to the healthcare industry. Learn more at iVantageHealth.com.