



FeeMaster™

Tools for Analyzing Payer Contracts

Payer Contracting Tools Ranks #2 out of 40 Categories in Recent MGMA AdminiServe Member Needs Survey

MGMA asked which vendor categories should be represented in MGMA's AdminiServe partnerships in its 2006 member survey. Out of 40 categories from which to select, "Tools for Analyzing Payer Contracts" ranked number 2, second to only coding reference tools.

Years before this study, Health Business Navigators created FeeMaster to address this very important practice issue. HBN puts at your fingertips a tool, tailored to your practice, that calculates instantaneously the potential financial effects of nearly any contract fee schedule offer. Included in this material is a little background on HBN, client results, sample reports and pricing to help you decide if FeeMaster would help your practice.

Health Business Navigators' founder, Penny Noyes, spent 18 years on the payer side of the industry, responsible for thousands of provider contracts nationwide. During the mid-to-late 1990's she switched to the provider side and spent 5 years in practice management, handling the acquisitions, revenue improvement, and managed care contracting for nearly 100 health centers in 7 states. In 1999, she founded HBN with the goal of providing consulting services to physicians to create an even playing field at the negotiating table between payer and provider. Today HBN's expert staff works with clients across the country to improve contracts with payers. The design of FeeMaster is regularly updated for ease of use and to address the ever-changing needs and methodologies in the contract negotiation processes. Special FeeMaster models address the unique reimbursement methodologies for ASCs, radiology, and other services.

When you order FeeMaster...

- ▶ You decide which payer and network contracts you want to analyze. HBN staff works with you to pull well-defined data from your practice management system for each contract you want to analyze or renegotiate.
- ▶ HBN loads your data into your FeeMaster tool, which is pre-populated with formulas and publicly available data, enabling your tool to test an infinite number of payer offers and your counter-offers to determine what various reimbursement rates will do to your bottom line, in aggregate and by CPT®.
- ▶ An HBN contracting specialist sends you your FeeMaster tool and walks you through using it in a demo lasting up to one hour. They show you the glaring issues the tool can expose about your contracts and chargemaster and answer any questions you might have.

Don't be intimidated by the analysis and lengthy agreements. Let HBN import your data into a tool that empowers you to tackle your next negotiation with confidence, see your contract rates in a payer line-up, test the adequacy of your charges, determine which procedures to carve out of the standard schedule, and more. Put our decades of payer experience to work for your practice.

See back for sample report pages, practice results, and pricing access.

Actual Results

A six-physician group used **FeeMaster** over a five-year period with HBN's negotiation assistance and experienced a verifiable impact of \$1.6 million annually to the bottom line related to just 4 payers. They use the Chargemaster evaluation tool to test and modify charges and set parameters for their uninsured prompt payment program. And they continue to use their Line-Up to compare rates from payer to payer.

A specialty physician was asked by a network to sign a new agreement based on a proprietary fee schedule. Her **FeeMaster** determined the new schedule would likely result in a 35% reduction in revenue. The physician was empowered to tell the network to offer a more appropriate schedule or terminate. Termination initially occurred, but with patience and patient loyalty the physician was offered the rates she needed within months. She used her **FeeMaster** Chargemaster Verification Tool to adjust charges on 20 of the most commonly billed codes.

A large multi-specialty group was overwhelmed by the daunting task of re-negotiating its many aging, complicated payer agreements. With HBN's experts on task, the existing contracts were assessed, data from the practice management system extracted and payers were contacted for their best offers. HBN tailored their **FeeMaster** by creating specialty categories defined by procedure code ranges, allowing the practice to negotiate higher rates on their services that were unique to the geographic area and settle only for those services for which there was excess capacity in the market or were available for patient convenience and compliance (such as lab). With the contract rates negotiated, the practice was able to load the new rates.

Here is what you get with your FeeMaster



Intro: Identifies the client, data date ranges, how current contract rates were derived and the Medicare geographic locality.

Overview: Lets you see at a glance, the performance of your current contracts in terms of Charges, Payments, their ratio to each other, and by general service categories.

Analyzer: This robust calculator allows you to toggle from RBRVS percent to RVU conversion factor to estimate the effects of new rates compared to old rates, in aggregate and by procedure. It also provides an alternative calculation based on percent of charges for procedures that do not have a Medicare value. Multi-specialty practices can create tailored specialty categories to assist in multi-level percentages or conversion factors reimbursement schedules.

ChargeMaster: Test the adequacy of your current rates, create new charge amounts and determine appropriate discounts for uninsured who agree to prompt payment.

CarveOuts: Allows you to carve certain procedures out of the standard calculations so that they can be negotiated at fixed fees without affecting the calculations for other procedures.

ContractLineUp: Lists all of your procedure codes with a side-by-side line up of payer and network rates for easy comparison.

Payer Overview

Payer	SURGICAL		EVAL & MGMT		ALL OTHER		TOTAL CHARGES
	CHARGES	PAYMENTS	CHARGES	PAYMENTS	CHARGES	PAYMENTS	
WESTERN HEALTHCARE	\$705,150	\$128,482	\$207,900	\$118,692	\$45,220	\$20,087	\$958,270
	73.6%		21.7%		5%		
SOUTHERN HEALTH	\$356,380	\$29,222	\$118,830	\$71,726	\$25,456	\$10,975	\$500,696
	71.2%		23.7%		5%		
UREP	\$284,400	\$34,945	\$144,570	\$52,302	\$11,214	\$13,108	\$480,184
	89.2%		30.1%		11%		
GREEN HEALTHCARE	\$297,300	\$56,203	\$66,640	\$36,100	\$15,590	\$7,625	\$379,480
	78.3%		17.6%		4%		

Analyzer

Select RVU or % of Medicare: % of Medicare

Contract (for schedule): BCBS / (all Plans) Medicare Yr: 2008 % of Medicare: 115% Non-Medicare: 95%

Mar/2007 - Feb/2008 Contract Rates Supplied (By Payer) Jon Demo MD Green Cross / (all Plans) Weighted Net Gain = \$615,369.69

CPT MOD DESCRIPTION	Units	Total Charges	Total Payments	Contract Fee	Medicare*	Proposed Medicare*	Potential Loss	Potential Gain
99213 Office/outpatient visit, est	6536	\$490,342.00	\$364,331.42	\$82.41	\$56.13	\$64.55	\$0.00	\$39,347.04
96110 Developmental test, lim	3622	\$260,732.00	\$29,833.65	\$10.86	\$10.28	\$11.32	\$0.00	\$3,477.12
99214 Office/outpatient visit, est	2937	\$352,397.00	\$249,927.59	\$82.43	\$84.47	\$97.14	\$0.00	\$43,815.24
15025 Automated hemogram	2174	\$80,438.00	\$28,197.41	\$10.86	\$31.45	\$31.45	\$0.00	\$44,762.66
90465 Intense audio l inj, < 8 yrs	1969	\$49,800.00	\$34,283.46	\$17.94	\$18.74	\$21.55	\$0.00	\$7,168.05
90466 Intense audio add inj, < 8 y	1735	\$100,215.00	\$42,491.08	\$10.83	\$9.23	\$10.61	\$381.70	\$0.00

Learn more about HBN's other Contracting Tools & Services and Credentialing Application Management. Or sign up for a FREE FeeMaster Web demo:

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