

Payer Collaboration Leaders Could Ease Payer, Provider Tensions

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The chasm between payers and providers, not that long ago the site of open warfare over market control, coverage, and charges, has now eased into something approaching a demilitarized zone. Though considerable tensions remain over narrow (and narrowing) provider networks and coverage and



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claims disputes, I see a continuing shift toward greater cooperation. With all of the financial pressures on both sides of the chasm, building bridges seems more fruitful than lobbing mortar shells.

There are partnerships, as seen in ACOs, where the payer takes the lead in managing population health. There is also a blending of payers and providers, with health plans hiring physicians and seeking mergers with health systems and health systems starting health plans (though with less-than-stellar success).

I've seen all of this personally, having been a revenue cycle director at large and small health systems and now leading a company that provides hospitals and medical practices with outsourced revenue cycle services, including claims adjudication. That is where most of the interactions between payers and providers take place, and it remains the source of daily tensions.

With imperfection on both sides, we sometimes end up with payment disputes that anger and frustrate everyone. Providers rightfully argue that claims should be paid because services have been rendered to patients. When they are not paid, they may escalate the claim to a provider representative at the insurance company, complain to the state insurance department, or both.

One potential solution is for providers to actively partner with payers by creating a new position within their organizations (or turn to an outside company that works with the revenue cycle team). The new position might be called "payer collaboration leader." Whoever is working in that role should work closely with the organization's leadership and staff to develop everyone's understanding of payer requirements and

assist provider teams in resolving challenges associated with payers.

Having a payer collaboration leader is especially important for large health systems that have yet to fully consolidate revenue cycle operations following a merger or have far-flung operations in multiple states. They may vary in some details, but the same payer issues tend to crop up across a health system. A lot of time and effort is wasted, and health systems leave millions of dollars on the table. Someone with a broad view can see patterns and prevent provider-payer disagreements from occurring in the first place.

The job, though, requires someone who has built relationships across the payer landscape, from the national commercial players to Medicaid HMOs. It also requires billing expertise and a knack for overcoming challenges.

Understanding payer requirements should be a core competency for everyone in revenue-cycle management, but unfortunately, it is all too often lacking. At my company, the payer collaboration leader not only works with payer representatives to find solutions to claims disputes but also serves as an internal resource to educate our staff on payer reimbursement models.

The collaborative aspect of this model works particularly well in the world of revenue-cycle outsourcing, when provider representatives work with multiple organizations. When a payer issue is identified for one client, they can "scrub" accounts receivable of others to see if the issue exists elsewhere. One payer representative can follow through on a solution and end a situation in which multiple representatives are fielding the same complaint from many providers.

Approaching payers with a collaborative mindset and developing a positive relationship with their leaders can be a winning strategy for providers. True, insurers may not always be motivated to fix issues quickly. Complaining to higher authorities may be required. But it shouldn't be the first step.

This all may sound small bore, but I believe it is the kind of change that if carried out more generally would add up to significant savings for providers and payers alike, while reducing another source of inefficiency in our health care system. **MC**

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