Analytics Power a Surgical Approach to Reimbursement Schedule Development

Next-generation prescriptive analytics takes everything payers know about a market -- based on historical Big Data -- to help them take a far more surgical, market-by-market approach to reimbursement schedules.

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When health payers develop reimbursement schedules for their provider networks, they usually start by painting with a broad brush. There may be some adjustments here or there, but for the most part they have little choice but to play to the averages and hope it all works out. As time goes on, however, more specialized reimbursement schedules may be added for a variety of reasons, such as the need to deliver a certain type of coverage in a particular area or a desire to bring in -- or keep -- a specific provider in the network. Before long, payers can find themselves managing dozens or even hundreds of fee schedules. Additionally, once the reimbursement schedules are set for a given market, payers often find it difficult to go back through them to ensure they still make sense based on current market conditions or for individual providers.

Reports, Blogs Detail Status, Future of Key Predictive Analytics Niches

In predictive analytics, there are always multiple ways to answer, “What’s up?” -- depending on which niche the respondent occupies. Here’s a look at a few recent perspectives.

✓ IT Consultant Everest Group Urges Analytics to Enhance Customer Focus

Calling the current healthcare market “a shape-shifting industry with once-disparate players in the market -- payers, providers, PBMs and pharmaceutical companies -- converging and the focus of payers shifting from business-to-business to business-to-consumer,” the Everest Group, a consulting and research firm focused on strategic information technology, business services and sourcing, calls on healthcare payers to “adopt radically different technology-based approaches to the way they serve members, reimburse providers, operate their internal systems and adapt to changes in government regulations and programs” if they want to “successfully navigate those industry shifts.”

Says Abhishek Singh, Practice Director at Everest: “Take the typical healthcare payer’s internal IT systems and processes, as just one example. They are plagued with disparate information systems, fragmented member information, legacy IT burdens, insufficient transparency in financial records and inflexible, manual processes. The need of the hour in this regard is system integration, data standardization and homogenized processes. For this reason, we expect the healthcare payer IT-BPS market to grow 8% by 2020.” In its recent Healthcare Payer Annual Report: Payers Look at Digital to Reinvent in a Turbulent Healthcare Market, the firm “examines in detail the myriad changes impacting the healthcare and life sciences market and describes specific steps healthcare payers need to take in four key areas to be future-ready:”

✓ Members. “In the past, a one-size-fits-all approach sufficed,” Everest notes in a statement. “Those days are over. Payers must now focus on enhancing the customer experience by providing customized and tailored services, offerings and solutions to individuals.” Specifically, the report recommends, “web-based insurance channels, interoperable databases, cloud-based platforms and predictive analytics are digital tools that payers can use to overcome current challenges.”

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