

Advanced Contracting and Credentialing: A Comprehensive Guide for CEOs

- 50% - 60% cost savings relative to in-house staffing.
- Eliminate the cost of hiring and training staff.
- Reduced error rates with better workflow documentation and transaction level auditing.
- Faster turnaround with two-shift operations for many functions.
- Improved ability to deal with variability in workload.

For the CEO of a physician practice, managing contracting and credentialing is an intricate part of ensuring both operational continuity and financial viability. Here's a specialized guide to mastering these processes:

Credentialing/Re-credentialing Simplified:

1. THOROUGH INFORMATION COLLECTION:

- ▶ Develop a systematic approach for collecting provider details, ensuring that the credentialing foundation is accurate and robust.

2. CUSTOMIZED PAYER STRATEGIES:

- ▶ Adapt your credentialing strategy to meet the unique requirements of each payer, understanding that one size does not fit all in reimbursement and compliance demands.

3. STREAMLINED APPLICATION MANAGEMENT:

- ▶ Implement a meticulous system for completing applications, capturing provider demographics, qualifications, and history comprehensively to expedite approval processes.

4. RIGOROUS PRIMARY SOURCE VERIFICATION:

- ▶ Facilitate verification from primary sources with a methodical approach, ensuring that all provider credentials are validated in line with payer standards.

5. DEDICATED FOLLOW-UP PROTOCOL:

- ▶ Maintain proactive communication with insurance entities, providing regular progress updates to preempt any delays in the credentialing cycle.

6. ONGOING RE-CREDENTIALING VIGILANCE:

- ▶ Implement a robust process to track re-credentialing milestones by payer.
- ▶ Schedule and execute re-credentialing activities diligently, ensuring that your practice and providers maintains eligibility for uninterrupted service provision.

Contract Negotiations Mastery:

1. UNDERSTAND YOUR COSTS AND VALUE:

- ▶ **Cost Analysis:** Before entering negotiations, conduct a thorough analysis of the costs of the services you offer. Understand your overhead, including staffing, equipment, facility costs, and any other operational expenses.
- ▶ **Value Proposition:** Be prepared to articulate the value your practice brings to the payer, such as quality of care, patient satisfaction, unique services, or specialties.

2. RESEARCH AND PREPARATION:

- ▶ **Payer Profiles:** Research the insurance providers' profiles, including their member demographics, network needs, and historical reimbursement rates.
- ▶ **Market Rates:** Know the standard reimbursement rates in your geographic area for the services you provide. This information can often be obtained from local medical societies or consultant firms.



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3. DATA-DRIVEN APPROACH:

- ▶ **Quality Metrics:** Compile data on quality metrics, patient outcomes, and any other quantitative measures that demonstrate the quality and efficiency of your practice.
- ▶ **Utilization Data:** Present data on your patient volumes and service utilization rates. High utilization may provide leverage in negotiating better rates.

4. BUILD RELATIONSHIPS:

- ▶ **Payer Relationship:** Develop and maintain good relationships with payer representatives. A strong relationship can facilitate smoother negotiations and better understanding of mutual goals.

5. NEGOTIATION STRATEGIES:

- ▶ **Competitive Leverage:** If your practice is in a specialty with limited providers in the area, use this as leverage.
- ▶ **Options:** Always have an alternative plan. Knowing that you have options can provide leverage in negotiations.
- ▶ **Know Your Minimum:** Understand the lowest acceptable terms and be prepared to walk away if the negotiations aren't meeting your practice's needs.
- ▶ **Initial Offer:** Your first offer should be higher than what you expect to receive, giving you room to negotiate down.
- ▶ **Contract Terms:** Look beyond the reimbursement rates. Consider other contract terms like timely filing limits, claims denial appeal processes, and administrative requirements.
- ▶ **Multi-Year Deals:** Consider negotiating multi-year contracts with built-in annual increases to secure financial stability for your practice.

6. LEGAL REVIEW:

- ▶ **Contract Language:** Review the contract language carefully. Look for clauses related to termination, automatic renewal, and any penalties for non-compliance.
- ▶ **Legal Counsel:** It's often beneficial to have a healthcare attorney review the contract to ensure it's fair and doesn't expose you to unnecessary risks.

7. EFFECTIVE COMMUNICATION:

- ▶ **Clear Communication:** Communicate your terms clearly. Be specific about what you can accept and what is a deal-breaker for you.
- ▶ **Listen:** Negotiations are a two-way street. Listen to the payer's concerns and constraints, as finding common ground can lead to better outcomes.

8. FOLLOW-UP AND FINALIZATION:

- ▶ **Confirmation:** After a negotiation session, send a summary email confirming the key points discussed to avoid any misunderstandings later.
- ▶ **Final Review:** Before signing the contract, review all negotiated points to ensure they are accurately reflected.



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Benefits of Working with Nath Healthcare:

- **Reduced Administrative Burden:** Streamlining these processes can significantly decrease the workload on your administrative staff, allowing them to focus on patient-facing duties.
- **Enhanced Revenue Cycle:** Proper credentialing and contracting accelerate reimbursement and can prevent cash flow disruptions due to payer disputes.
- **Risk Mitigation:** A focused approach to credentialing and revalidation can mitigate risks related to non-compliance, which can have financial repercussions.

At **Nath Healthcare**, we understand the importance of excellent RCM. Our dedicated team utilizes advanced technologies and expert knowledge to streamline your processes, increase revenue, and enhance patient satisfaction. By choosing us as your RCM partner, you're selecting a team committed to the financial well-being of your practice.

Ready to optimize your revenue cycle? Contact us today at 469.442.8082 or info@nath-mds.com to discuss your specific needs. Discover how our expert solutions can transform your practice's financial efficiency, allowing you to focus on delivering superior patient care.

Thank you for considering **Nath Healthcare** as your trusted partner in achieving financial excellence in healthcare.