

SCALE Case Study

Payer & Regulatory Research – Family Care Services

Client Profile

Size

9 Clinics

Location

Alabama
Tennessee

Specialty

Urgent Care
Family Care Services

Services Deployed



Regulatory Research



Coding Analysis

Overview

SCALE was engaged by an investment banking firm to complete a market assessment and regulatory analysis for the acquisition of multiple rural health clinics in the southeastern US.

- + Investors sought guidance on how rural healthcare demand and innovative reimbursement models could support their value-proposition and acquisition strategy.

Findings

- + Target clinics aim to create a value-based care roadmap to expand quality care access
- + One clinic is eligible for a Rural Health Clinic (RHC) designation to generate additional revenue, while other clinics are well-positioned to provide telehealth and remote patient monitoring (RPM).
- + Expansion strategy includes an increase to access in rural markets for an aging population with high demand for healthcare services

Execution

SCALE's market research team analyzed commercial payer reimbursement trends, and underlying reimbursement policies impacting trends affecting RHCs, telehealth, and RPM. SCALE provided a detailed summary of reimbursement analysis and trends for high volume CPT codes. The team also completed a follow up review of new CMS guidance on care management services.

- + **Rate Analysis:** Summary of reimbursement through the Medicare Fee Schedule, reimbursement rates across different payers, changes to service reimbursement, volume, and payer mix over time, and new coding updates
- + **RHC Designation Review:** Summary of enhanced reimbursement, clinic and provider shortage areas, average RHC characteristics, and both reimbursable services and the potential impact on revenue relative to payer mix
- + **Telehealth Research:** Overview of payment policy as revenue drivers, federal and state regulatory changes throughout the pandemic, state legislation, and federal proposals to increase rural access
- + **RPM Coding Guidelines:** Creation of a roadmap for the use of RPM in patient care based on existing federal and state policy frameworks and reimbursement models

Results

- + Achieved high client satisfaction based on feedback received regarding the content and knowledge of commercial reimbursement and health policy changes during follow-up discussions
- + Followed up the initial assessment with additional information on developing coding changes, federal Medicare payment legislation, and recent coding changes for evaluation and management services
- + Provided a detailed summary of telehealth state law and insurance regulations to inform potential growth
- + Helped client understand the health policy landscape for rural clinics based on new care delivery models and opportunities for value-based care
- + Outlined value-based care models for federal programs, accountable care organizations, and risk-sharing agreements
- + Helped client understand additional revenue generation from the RHC model and adjustments needed to current business model to optimize value to patients