

SCALE Market Research Case Study

Skilled Nursing Facilities

Client Profile

Specialty
Skilled Nursing Facilities
(SNFs)

Services Deployed



Consulting



RCM



Payer Strategy

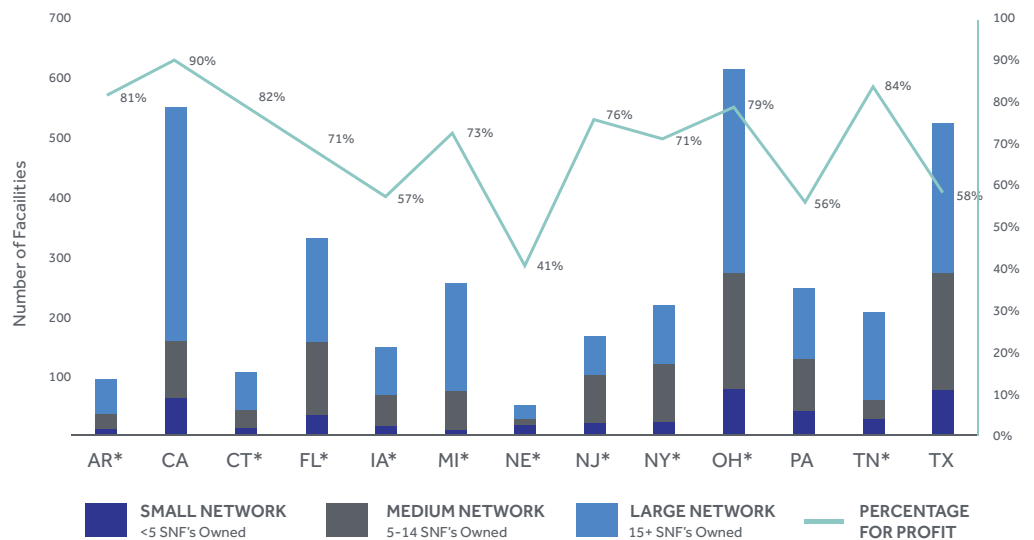
Overview

SCALE was engaged to complete a market assessment and Revenue Cycle Management (RCM) analysis of skilled nursing facilities (SNF) for the acquisition of a SNF only RCM company. The client sought guidance and insight on a facility's decision to outsource its billing services to support their value-proposition and validate their acquisition strategy.

Results

SCALE concluded that mid-size, multi-site organizations are the best targets for growth since they understand the complexities of SNF RCM and can mitigate risk. Current labor shortages in the market and the increase in regulation complexities suggest a great need for SNF RCM expertise. Recent increases in market consolidations and acquisitions result in new owners who lack SNF-specific RCM knowledge, creating a demand for high-quality RCM specialists, particularly those with experience in billing integration. From a profitability perspective, investing in enhanced RCM processes improves collection rates and cash flow, enabling SNF RCM companies to recoup costs and ultimately, increase ROI.

For-Profit Facilities by Size and Percentage



Execution

SCALE's market research team - which consisted of cross-department collaboration between RCM, Payer Strategy, and Consulting divisions – evaluated the SNF market landscape and analyzed SNF networks and facilities in the client-specified focus states based on parameters such as network sizes and facility bed counts. SCALE presented a detailed summary of the SNF RCM universe and provided strategic market recommendations and expansion strategies based on key opportunities SCALE identified in the SNF RCM market.

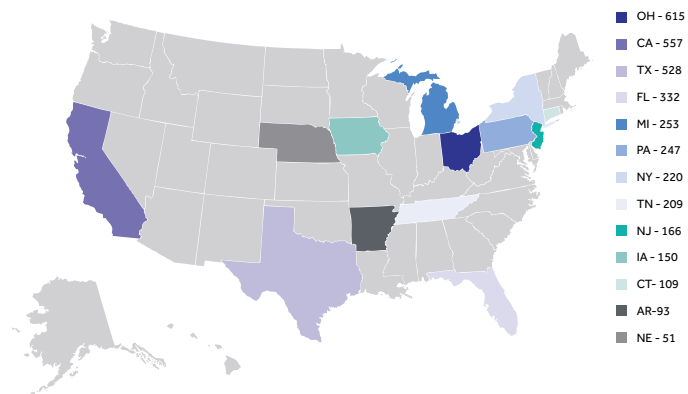
+ Interviews

SCALE utilized its internal network of professionals to interview key market leaders. Developing in-depth interview guides and meeting professionals in the industry facilitated methodical examinations of distinctive RCM buying decision considerations.

+ Market Survey

SCALE partnered with a third-party vendor to conduct a market survey of 50 SNF operational leaders across the specified states. The survey insighted fundamental RCM outsourcing drivers – one core consideration signifying economies of scale, since outsourcing billing allows staff to primarily focus on patient care and internal efficiencies.

Facility Location per State



Bed Counts per State

