

# Payer Strategy – Home Health Provider

## Client Profile

**Specialty**  
Home Health Agency

## Services Deployed



**Payer Strategy**



**Market Positioning**

## Overview

SCALE was engaged by a home health service provider specializing in post-acute care to assist with payer contract review, rate negotiation, and market positioning across Medicare Advantage (MA) and Commercial lines of business.

- + The Client is a leading home health agency in orthopedic care recovery with over \$16 million in annual revenue and accelerating growth in patient volume.
- + The Client receives physician, hospital and ASC referrals for post-operative patients to provide skilled nursing and home health physical therapy services to aid in recovery.
- + Post acquisition, Increased volume in orthopedic patient episodes and lagging reimbursement compelled them to seek improvement in payer contract performance.

## Execution

SCALE Payer Strategy analyzed the home health market and their current payer agreements.

- + SCALE developed a rate negotiation strategy with consideration of the following:
  - + Obtained clinical and performance outcomes from the group to quantify savings to the payer.
  - + Assessment of current payer agreements with respect to rates, geography, nationally and service type provision.
  - + Client's positioning within the context of national home health market movement, payer acquisitions, as well as payment methodology.
  - + Obtained data from market stakeholder views on home health services as a factor included in the strategy.

## Results

As a result of payer negotiations, commercial rates have increased consistently with three major payers with material increases and favorable contract terms.

- + SCALE assisted the Client in meeting with payer representatives to explain their value proposition and demonstration of high-quality patient outcomes in post-acute care.
- + The group's contracts with 2 other payers are now in ongoing negotiations for more favorable rates and contract language.
- + SCALE is proactively coordinating the negotiation of other contracts for 2024 based on contract renewal timelines.