

# Managed Care Profitability Strategies

## Suggested Pre-Requisites

Census Development 101

# What

A course dedicated to driving the conversation with payers during contract negotiations, leading to revenue optimization.

#### Who

CFO, Administrator, AR specialist, Admissions and anyone else you consider a part of your AR management team.

## Why

If you've taken Census Development 101 you have your seat at the table with referral sources and have begun demonstrating value. Now it's time to drive conversations in negotiating contracts to optimize revenue. Do you know your rates? Are you making or losing money with those rates? By packaging your pay-for-performance levers in a way the payers will understand, you will be able to drive these conversations and lead to revenue optimization.

## Objectives

- Analyze Quality Measures 5 Star Ratings, Short Stay QMs, Long Stay QMs
- 2. Evaluate Expenses Room & Board, Therapy, Pharmacy, Ancillary Costs
- 3. Evaluate Revenue Nursing Care, Level I & II Skilled, Level III Complex
- 4. Identify where you are making or losing money
- 5. Package pay-for-performance measures to demonstrate data and suggest rates
- 6. Optimize revenue

## **Results in Action\***

This case study proves the success of this program. This facility gained an average overall increase of 45%. Negotiations also included special per diem carve-out to cover costs.

SNF SERVICE	RUG RATE	CURRENT RATE	NEGOTIATED RATE	VARIANCE
General Nursing	\$400 Range	\$185.00	\$340.00	83% Increase
Level I Skilled	\$487.21	\$291.00	\$414.13	42% Increase
Level II Skilled	\$655.82	\$435.00	\$556.75	28% Increase

\*These outcomes are not a guarantee and do not include carve-out exclusions.