CONSONUS
HEALTHCARE

Moving to an Episodic Payment Model

DESCRIPTION

In 1983 the government moved hospital providers to a flat rate reimbursement system based on diagnosis related groups, (DRGs). The financial savings were tremendous. In today's world the savings would have been in the trillions.

SNF providers need to prepare for a similar "episodic" payment model. Under a single payment paradigm, your key performance areas would shift to include: reduced lengths of stay, maximizing functional improvement, and reducing readmissions. A shrewd operator would also want to monitor the higher cost categories of their operations, (medication, therapy, and labor expenses). All of this would will depend highly on access to your live data, in order to make informed decisions.

The speaker hails from Portland Oregon, a market heavily steeped in managed care. Over the past 20 years the Portland marketplace has been running at over 65% managed care. In this session, attendees will analyze the episodic payment model and recognize the importance for adopting this model. The instructor will discuss how negotiating with Managed Care payers can be a win/win by packaging your pay-for-performance levers in a way the payers will understand so you can drive these conversations and create true partnerships.

The presentation will include why episodic payments are a good thing, how to use your live data to make smart decisions, and how to hold yourself accountable in tracking progress with the new KPI's.

LEARNING OBJECTIVES

1. Utilize live data for LOS, functional outcomes, and readmissions to make informed decisions
2. Identify how to negotiate with Managed Care payers to create strong partnerships.
3. Deploy best practices for tracking progress with the new KPI's.