



Defending Your Revenue: Model, Analyze, and Optimize


Monday, November 4, 2024
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Presenter


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Agenda

- The Current Environment and Impact
- Pressure on Providers
- Winning Strategies
- Q&A




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Current Environment




Claim Denials are Surging

100% increase from 2021 to 2022
 20.2% increase from 2022 to 2023
 67% of Healthcare Leaders Identify it
 65% of Denials are never appealed
 18% of Medicare Advantage payments inaccurately declined




Complex Payment methodologies



Automated algorithms to deny claims

Sources: November 2022 Kaufman Hall Report, American Hospital Association, 'CMS data shows high rate of claims denials' July 2023



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Medicare (Dis)Advantage

- Currently covers more than 55% of Medicare eligible lives (Beckers 10/10/24)
- Fastest growing segment for payers
- Adds administrative cost through:
 - ✓ Authorization Requirements
 - ✓ Higher Denial Rates – 55.7% increase from 2022 to 2023
 - ✓ Profit incentive to pay less than traditional Medicare



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Pressure on Providers



LACK OF STAFFING TO REVIEW FOR ACCURATE PAYMENTS



NO AUTOMATION TO REVIEW PAYMENT ACCURACY



LACK OF STRUCTURED APPROACH TO MAINTAIN CONTRACTS



PAYER'S TAKING LIBERTY TO CHANGE PAYMENT METHODOLOGIES ON THE FLY



NO AUTOMATED MODELING TOOLS



LACK OF INFO ON PAYER PERFORMANCE:
- DENIALS
- UNDERPAYMENTS
- TIME TO PAYMENTS
- PAYER ACTUAL VS. EXPECTED



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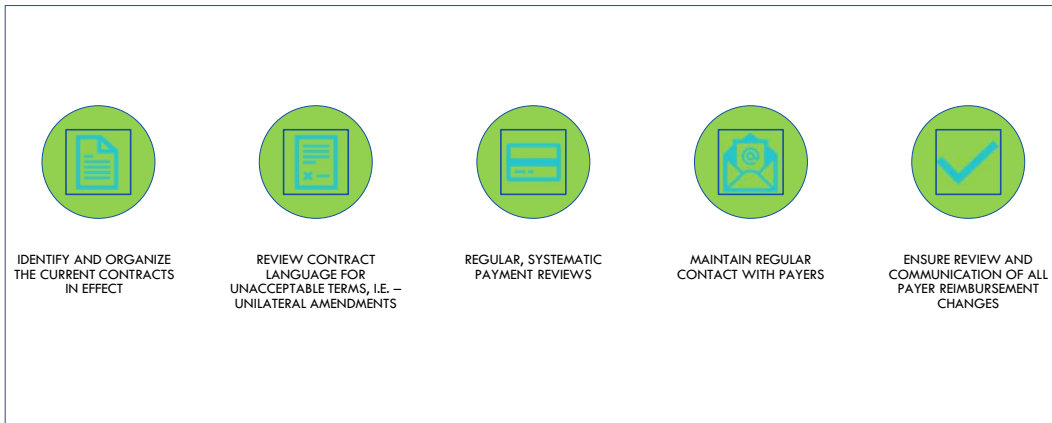
Example Impacts to Net Revenue / Cash

- ✓ Incorrect Medicare Advantage Payments
- ✓ Untimely updating of Fee Schedules
- ✓ Systematic denials to extend payment cycles
- ✓ Down coding of DRG / CPT coding



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Winning Strategies



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Winning Strategies

- ✓ Have an effective zero-pay workflow
- ✓ Keep a check on actual claim to payment cycles
- ✓ Profit and cost analysis by service line
- ✓ Utilize accurate modeling in contract negotiations




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Q&A

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