



Mede/Analytics®

A payer's guide to administering value-based arrangements

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Introduction

The foundation of value-based care is its underlying contractual arrangements. To put it simply, this is what establishes how a provider is reimbursed by a contracting entity (i.e. payer, ACO, employer). Value-based contracts are grounded on clinical performance with mutually agreed upon quality, financial and patient experience targets that must be met to achieve value-based rewards. These contracts can be highly varied and complex with different payment models and levels of risk. Success in the expansion of value-based care hinges on payers' ability to operationalize and automate the alignment of incentives and outcomes.

This guide will provide payers with tips and strategies for administering value-based contracting and funding. We will:



Review key issues that payers are facing in the value-based care environment (and how to solve them)



Introduce the four main components of successful value-based contract administration



Assess your readiness for building a value-based contract administration strategy



Offer tech-enabled strategies for sustaining the collaboration necessary to address social determinants of health, facilitate value-based payments, and produce quality reporting

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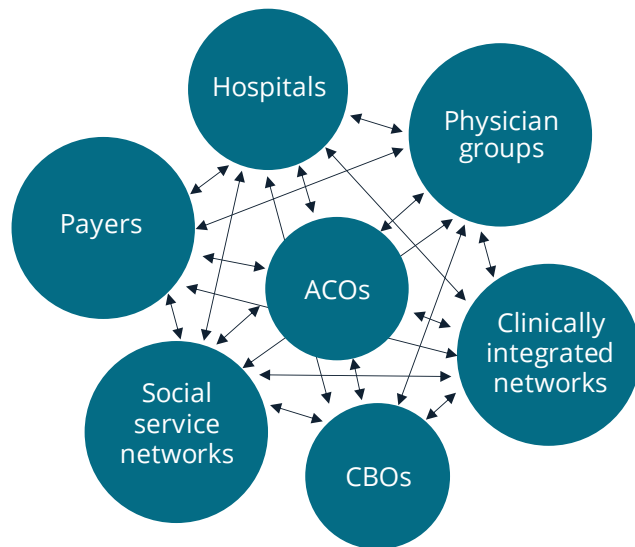
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1 Opportunity with value-based care administration

Opportunity with value-based care administration

The transition to value continues to gain momentum with rapid expansion of volume and types of value-based contracts and payment models fueled by government entities—including the Department of Health and Human Services (HHS), the Centers for Medicare & Medicaid Services (CMS), and the Center for Medicare & Medicaid Innovation (CMMI)—and private-sector entities aiming to reduce the costs of healthcare. These new arrangements shift the cost and quality of care to the providers and away from payers. This presents significant opportunities for providers to capture additional market share and reimbursement if they are willing to take on additional financial risk. At the same time, payers are eager to partner but often are not able to handle the increased complexity of hierarchical relationships that these value-based care contracts entail.



The complex, many-to-many relationships of value-based care entities

Recognizing that their traditional processes are set up to support claims-based, fee-for-service payment models, payers are actively seeking solutions that support a variety of payment models and contract terms. With interconnected data among network entities, actionable insights into provider performance and quality, and automation to ease administrative burden, payers can successfully manage and onboard contracts at scale.

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2 Addressing primary challenges for payers

Addressing primary challenges for payers

Thriving in a value-based care environment requires modern technology and tools to unite disparate data, streamline the complexities of managing contracts, and align reimbursement to provider performance. Payers must account for continued growth of alternative payment models and prepare now to keep up. The following four challenges pose the most difficulty—but also hold the greatest potential—for health plans on a path to expanding value-based care arrangements.

a. Performance and cost management: Establishing quality-driven care programs is essential to significantly reducing healthcare costs while improving outcomes for members. To do this, you need to assess performance at the network and provider levels with comparative insights into cost, quality and network leakage. With this knowledge, you can optimize networks and drive referrals to high-performing providers. High-touch engagement and outreach to polychronic/high-needs individuals is another important part of successful program administration.

b. System integration: Value-based care demands collaboration in order to be successful, and to be a good collaborator, you need to bring interoperability and teamwork to the table. Getting a complete picture of member health is important to improve provider coordination of care. Therefore, the health of your populations depends on you working closely with medical and non-medical organizations to coordinate care and improve outcomes at a lower cost. With shared (secure and compliant) data, you can reduce care gaps, address social risk factors impacting care, and improve member engagement and satisfaction.

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c. Scalability: Contract management and payments is often a highly manual process using legacy data systems. This is simply not sustainable for onboarding new contracts and managing existing ones at scale. For organizations to keep pace, they need to streamline and automate the process. Contract workflow automation and modeling as well as maintaining a library of foundational contracts allows you to eliminate duplicate work, reduce administrative burden, and drive overall efficiencies.

d. Technology: Traditional adjudication and administrative systems lack the capabilities and functionality necessary to easily support transparency, reporting and payments to the highly complex, 'many-to-many' relationship of value-based care models. Be judicious about what technology you decide to bring into your value-based care era. Any tool you rely on must be purpose-built to minimize misaligned spending and unnecessary waste (point a), facilitate patient-centered collaboration throughout and beyond the health system (point b), and sustain program growth long-term (point c).

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3 Four essential components of value-based care administration

Components of value-based care administration

To successfully overcome the challenges detailed above, payers need a solid foundation from which they can manage the many-to-many relationships among network entities. Consider the following four main components that you can rely on to keep your programs strong, secure and successful.

Hierarchy onboarding and data infrastructure

One of the critical building blocks for administering value-based care programs is the ability to support complex, many-to-many hierarchies between entities in the network. These relationships become important not only for stakeholder onboarding and data capture, but also for administering payments. Real-time data sharing and value-based payment models are also vital to improving care and containing cost. Managing a complex multi-stakeholder network-of-networks with different patient ontologies requires a robust data infrastructure that can accommodate event-driven and episodic requirements of payment models that are no longer claim-centric. Establishing a robust data infrastructure should be the very first step for all value-based care administration efforts.

Think about this: Each provider and organization you work with will have its own terms, requirements and technologies—so you need interoperable systems with formidable range and scale. A reliable infrastructure operationalizes the onboarding of new value-based care stakeholders through hierarchies and alignment of payments for performance. It can ingest important information from almost innumerable sources, with standard as well as non-standard data formats, and produce precise, data-based recommendations for improved contract management. This is the foundation you need to succeed in value-based care administration.

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Integrated performance and payment capabilities: Woven into this data infrastructure should be complete performance measurement. As the name ‘value-based care’ would suggest, providers should be demonstrating delivery of high-quality, patient-centered services to your members. From a financial perspective, closely tracking this information is crucial to determining appropriate reimbursement, evaluating fulfillment of contract terms, and remitting meaningful incentives or penalties. Equipped with reliable, real-time dashboards, detailed, deep-dive reports, and a panoramic view of every patient, payers can accurately determine the best providers and pathways to achieve both optimal outcomes and appropriate reimbursement.

Flow of funds management: Managing the flow of funds and payments to both providers and non-providers in value-based care arrangements can feel daunting, consume critical resources, and create unnecessary risk for both payers and providers. A strong administrative approach necessitates payment management capabilities that can facilitate secure, efficient fund transfers and ensure timely, accurate payments. It also sets you up to avoid administrative burden and enhance financial performance.

Streamlined flow of funds management can provide banking integrations and merchant services to support the financial administration of value-based care contracts; allow configurability in the payment platform to tailor needs to the alternative payment model, support payments to individuals, and manage withholds. Additionally, you’ll need self-service capabilities for providers to express payment and remittance delivery preferences, backed by secure bank account enrollment and validation.

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Analytics and permissioned data sharing: As mentioned, a hallmark of value-based care is its reliance on collaboration and integrative approaches to care delivery. Analytics affords payers with timely and transparent reporting of financial, quality and performance data necessary in the contract management process. This enables all stakeholders, including employers, clients, providers and internal operational and clinical staff, with the necessary permissioned information to inform actions leading to optimal outcomes.

Only with a unified, 360-degree, longitudinal health record can you gain a full picture of member behaviors, social determinants of health, and risks. To be this comprehensive, it means every stakeholder across the continuum of care—the patient/member included—is sharing and assessing valid, precise data. Of course, with great swathes of information comes great responsibility. Make sure any platform you are using employs role-based permissions to delegate access and protect data.

Date #	Episode (ID) #	Patient #	Patient ID #	Payer #	Member ID #	Episode Status	Details
01/01/2020	Knee (KNS)	John Smith	000101	Aetna	805001	Completed	Details
01/01/2020	Knee (KNS)	David Duran	000102	BCBS	805002	Completed	Details
01/01/2020	Knee (KNS)	Mary Smith	000103	BCBS	805003	Services Rendered	Details
02/01/2020	Shoulder (SST)	Alex Hendricks	000104	BCBS	805004	Payment	Details
04/01/2020	Hip (HPS)	Sam Walker	000106	Cigna	805005	Payment	Details
04/01/2020	Maternity (M44)	Carol Mames	000105	BCBS	805006	Disposal	Details
05/01/2020	Hip (HPS)	Beggie Brix	000107	BCBS	805007	Accepted	Details
06/01/2020	Shoulder (SST)	Henry Signer	000108	BCBS	805008	Payment	Details
07/01/2020	Hip (HPS)	Allaha Copper	000109	Aetna	805009	Services Rendered	Details
07/01/2020	Hip (HPS)	Sandy Dun	000110	BCBS	805010	Accepted	Details

Quickly see an overview of the current status and progress of referrals that have been created

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Putting it all together

Modeling, measuring, managing, and monetizing value-based care programs presents a complex challenge of combining multiple clinical, financial, engagement and performance solutions. With the data infrastructure, performance measurement, and data sharing and analysis in place, you can bring efficiency and automation to the contracting process. Leveraging current claims and clinical information from any source, you are able to model potential new value-based care program designs for effectiveness and easily convert them into live programs. And, this is achieved with timely and transparent reporting to all key stakeholders—including employer clients, providers and internal operations, and clinical staff—in a scalable manner from a single platform. A smart contract library saves contracts for rapid deployment of future contracts. Payers seeking to control costs and improve the quality of member care can benefit from the end-to-end performance and funding administration that this kind of platform affords.

Model and construct contracts to fit diverse needs and requirements

Imagine a beautiful interface where your end users can develop contracts from scratch, save proven templates, ingest new information, and model prospective contracts. Fueled by a rules-based engine, a query builder and equipped with sensitivity analyses for various parameter values, you can build a contract to fit any specific set of needs or requirements. Then, securely share it with stakeholders for review to obtain all necessary approvals and signatures. This is the power of MedeAnalytics.

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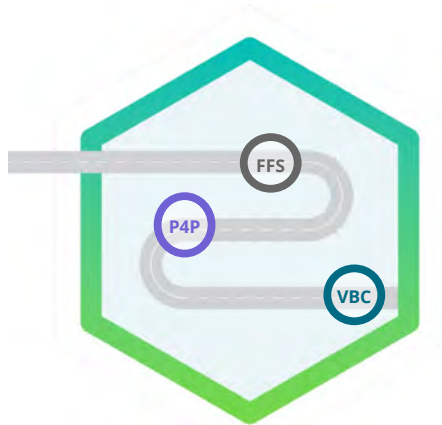
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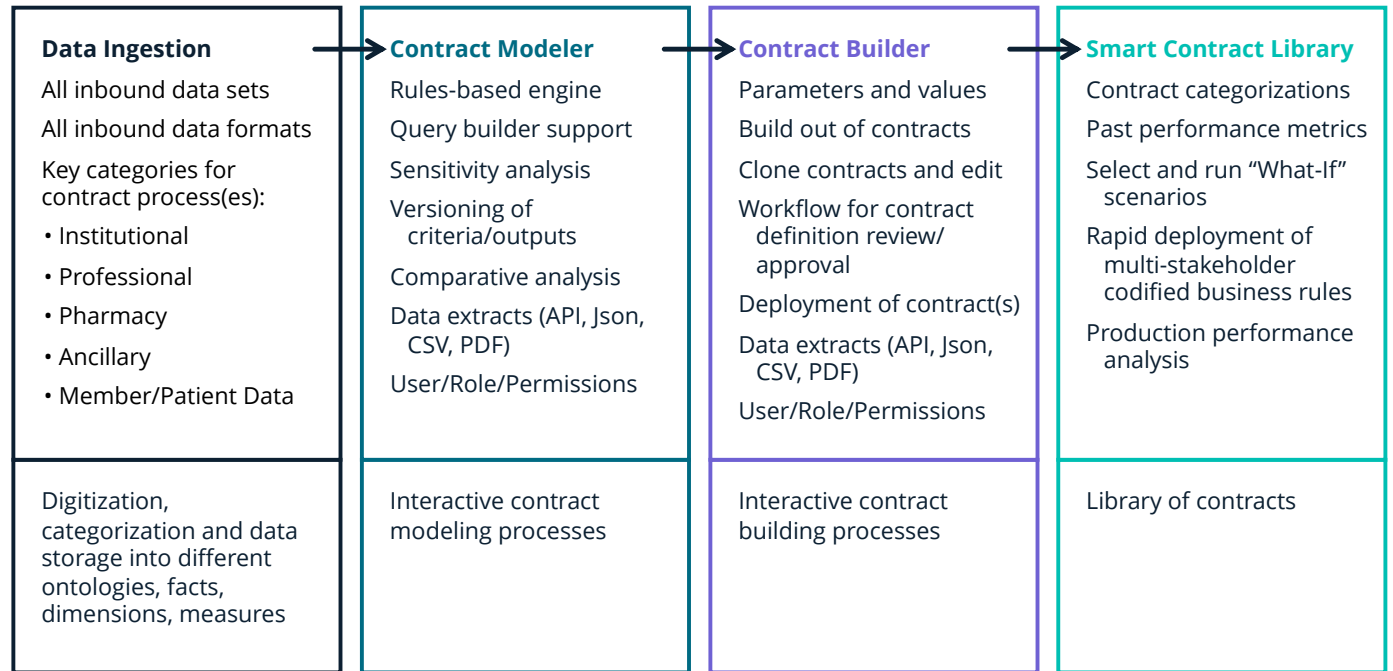
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Steps supported in the contract process



Our platform is equipped to meet **payers, providers and patients** wherever they are on their value-based journey.





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Assess your contract administration readiness

Assess your contract administration readiness

These four foundational components—data infrastructure, integrated performance and payment capabilities, flow of funds management, and analytics with permissioned data sharing—will set a value-based care program up for success. But that on its own is not enough. In this section, we'll walk through two checklists to help you build a value-based care administration strategy.

Performance Administration Checklist: From program modeling to timely and transparent reporting across key stakeholders, risk-bearing entities should be saving time, money and resources.

- Are your provider dashboards for patient, peer, and program performance analytics informed by data science?
- Do you have clear goals and tracked benchmarks for provider performance?
- Can you model contract terms that easily convert to live program operations and onboarding processes?
- Is data being shared transparently and efficiently across stakeholders?
- Do you have the data you need to align actions and accountability for program goals?
- Can you dig deep enough into social determinants of health data to fully assess community risk and construct better outreach?

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Payment Administration Checklist: Value-based care arrangements should empower payers to stand out from the competition without being compromised by financial responsibilities and pressures.

- Can you configure your payment platform to adapt to individual alternative payment model requirements?
- Are you able to easily manage the flow of funds and attribution models via your administration platform?
- Are you seeing a timely flow of funds—funding pool, deposit account management and withhold management at a program level?
- Have you established alignment in financial incentives based on shared savings models, risk sharing and fair reimbursement mechanisms?
- Do you support payments at a granular level? Individual providers should be able to receive payment as an individual, as part of a group, across multiple locations, and across multiple programs.
- Do you offer self-service for providers to express payment and remittance delivery preferences, backed by secure bank account enrollment and validation?
- Have you established banking account structures to manage the flow of funds—streamlining the financial administration of value-based contracts?

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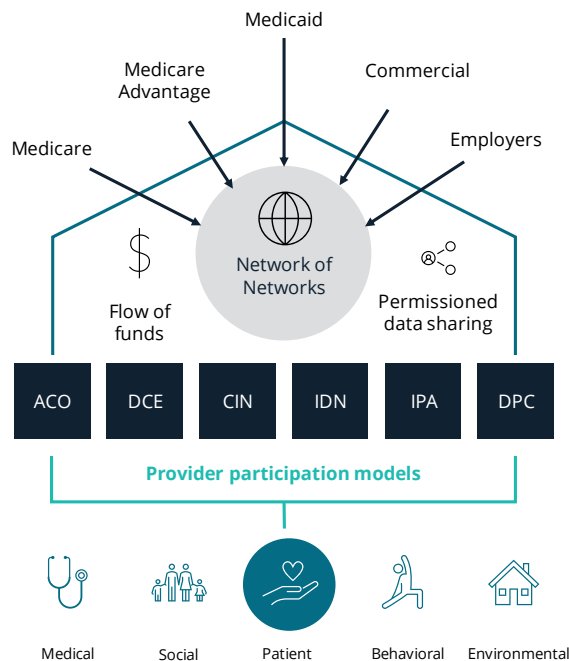
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What a win looks like

With your four foundational components in place and checklists complete, it's time to start reaping the rewards of your hard work. Picture this...

Optimized, transparent community network: You're cultivating member-centric relationships with community-based organizations to power coordinated, quality care. Value-based care and care management programs are working in tandem to track patient health and outcomes. All entities have a common understanding of goals, KPIs, accountabilities and action plans.

Steadily improving performance: You've operationalized incentive payments for activity-based, multi-participant P4Q programs with incentives split across practice, provider and office employee levels. Provider performance is evaluated through historical contract and payment data for contract negotiations.



Hierarchical value-based care funding, data sharing and performance reporting

Smooth contract management: You're thoroughly analyzing contract performance and employing value-based care contract modeling to convert proven models to live programs. Contracts are saved templates for future "what if" analysis to assess predicted vs. actual performance.

Monetized contracts: You've streamlined flow of funds, funding pool and deposit account management. Financial incentives are aligned based on shared savings models, risk sharing, and fair reimbursement mechanisms. Secure fund transfers are executed automatically, easily and efficiently.

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6 There's always more to explore

Where to go from here

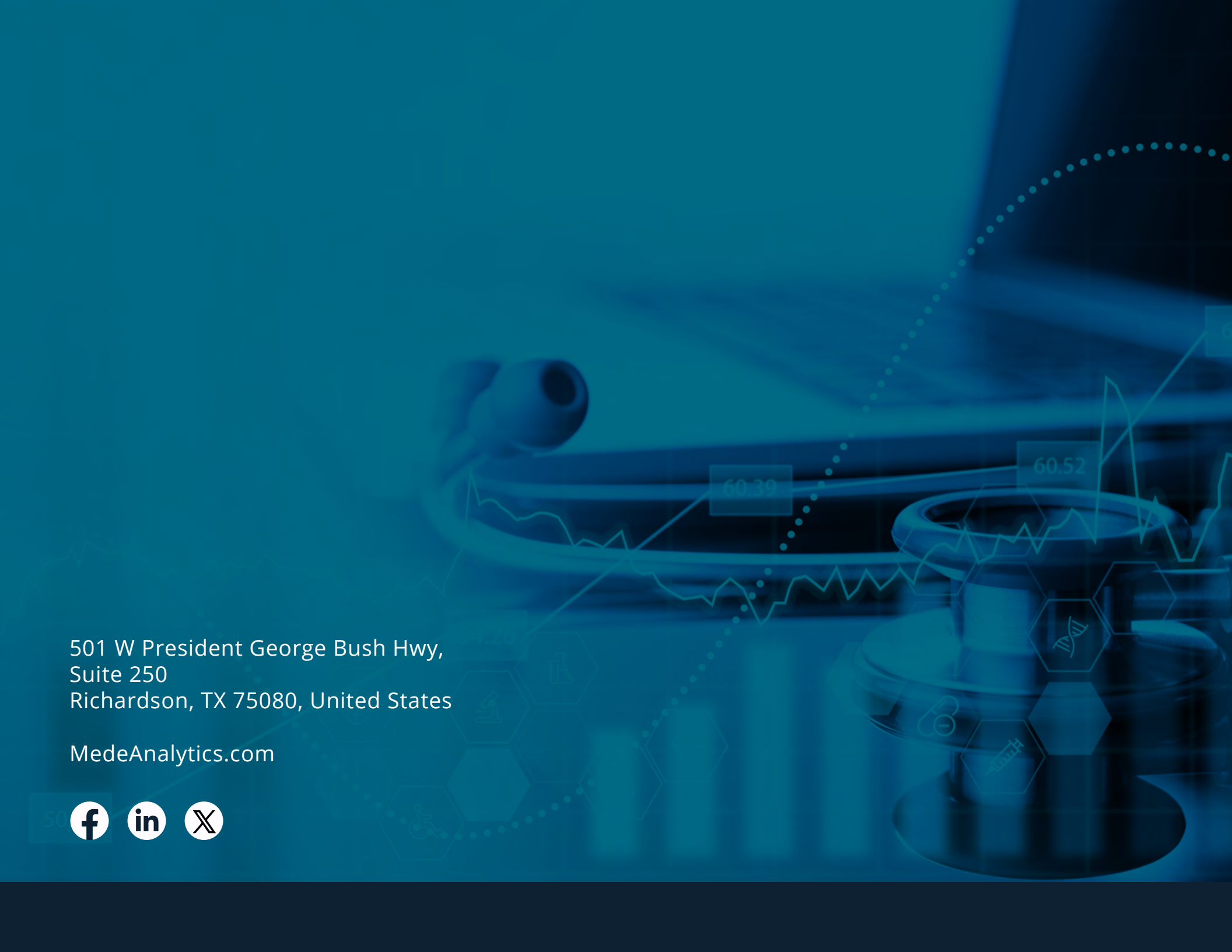
There is always more to be accomplished in improving the quality and equity of healthcare — and we're committed to doing this work with you.

The MedeAnalytics Value-Based Care Administration solution combines powerful analytics with contract and payment management capabilities to enhance outcomes through data-driven insights, performance optimization and seamless fund transfers.

With agnostic data ingestion and seamless integration, we provide the infrastructure that enables the many-to-many relationships between value-based care stakeholders and their counterparts that is necessary for successful administration of these programs. This hierarchical approach to partner onboarding, scaling of contract operationalization, and permissioned data sharing is a necessity for alignment of medical, social, behavioral and environmental components of successful value-based program administration and high-performance networks that confidently deliver on whole-health patient outcomes.

Let's get started >





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