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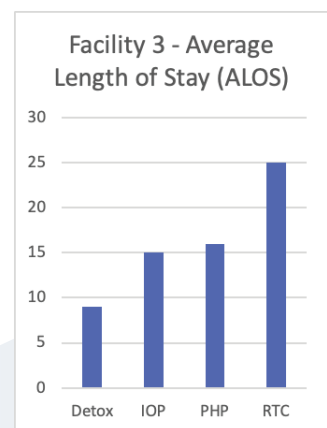
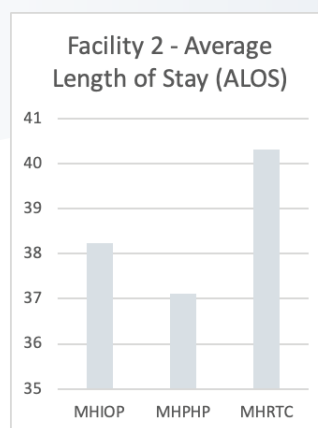
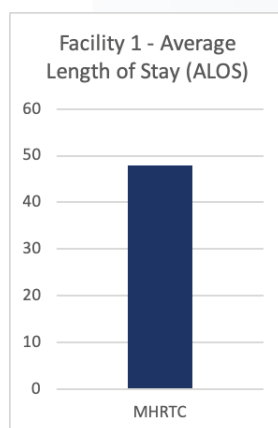
Managing Revenue as an Out-of-Network Provider



Being an out-of-network provider comes with its own series of benefits and challenges. While remaining outside the purview of a payer contract provides unique flexibility in terms of treatment and payment options, the lack of a predictable income stream can also leave the out-of-network practice unsure whether they will receive any reimbursement from the payer. This can result in transferring the financial burden onto the patient. The No Surprises Act, which went into effect on the first day of 2022, attempts to address some of these problems in the context of surprise billing (receiving a bill from an out-of-network provider at an in-network facility) and emergency services, requiring payers to provide reimbursement at in-network rates, or otherwise require a consent process. However, the Act does not cover every situation and every facility, leaving out-of-network providers around the country continuing to leave money on the table.

Entering a contract with a payer does not necessarily require joining the payer’s network and conforming to their rules regarding care management, billable codes, etc. SimiTree Behavioral Health has worked with several providers who have entered into unique contract arrangements on a patient-to-patient basis, using their unique market positioning as leverage to enter into permanent agreements that forgo the need to constantly negotiate payments. These providers “found their niche,” providing services that are not available at other facilities in their geographic areas, resulting in patients seeking services at these facilities due to the lack of options. In one example, the facility provided specialized post-partum depression treatments. Having seen the lack of services in the area, this provider started their facility from scratch in 2019 and now enjoys several of the benefits of in-network providers despite their out-of-network status.

The illustration provides examples of the average lengths of stay at three such facilities throughout 2021. Again, despite being out-of-network psych facilities, they have been able to experience many of the benefits enjoyed by in-network providers, allowing them to maintain higher payer yields and average lengths of stay.



To help bridge the gap on out-of-network claims, providers should consider several mitigation strategies in addition to the one discussed above. First, develop policies and procedures on advocacy support for the patient. Do they have any additional financial options? Some providers initiate a sliding scaled-based program directly with the patient that depends on their ability to pay. This encourages immediate relief for all concerned: the patient with an avenue to make monthly payments and the provider having a flow of monies to alleviate cash-flow burdens. Second, if your facility has third-party relationships with other providers, evaluate whether these parties meet Medicare's definition of being a provider-based entity. This would remove any third parties from out-of-network status and bring them under the purview of your facility. Be sure, however, to consult with legal counsel before making any decisions on provider-based status in order to prevent any compliance issues with CMS down the road. The final option is to initiate payer-based contracts on populations that are high-volume patients. This option is greatly facilitated by in-house analytics on population data, which can be pulled from claims data sent to or received from the payer, as well as data extracted from patient scheduling/registration programs.

Efforts to negotiate out-of-network arrangements with key payers can be greatly facilitated by developing a relationship with a revenue cycle management company like SimiTree Behavioral Health. Revenue cycle management companies are a valuable resource for assisting in the negotiation process with a variety of payers, utilizing their specialized experience and dedicated resources to help your facility start from a position of strength.



SimiTree Behavioral Health specializes in solutions for behavioral health organizations of every size and market. From streamlining billing to recruiting top talent to sparking data-informed decisions, we empower your behavioral health organization to operate at its best. The result? You can focus on what matters most: delivering exceptional patient care. Speak with a representative today at **1.800.949.0388** or visit **simitreehc.com/behavioralhealth**.