Strengthen Your Position in Payor Management

StrataJazz® Revenue Analytics

Managed care teams at hospitals and health systems often feel at a disadvantage in contract negotiations with payors. Providers need the same level of data and tools that commercial payors have when they sit down at the negotiating table.

Access to this information can be hindered by:

- **Data gaps** due to constraints on the amount of data that can be posted, whether it's due to technology limitations, resource limitations, or a narrow frame of reference that doesn't contextualize the data to account for alternative payment methodologies.
- **Too much data** stemming from posting all possible rates that could be charged, burying impactful data among thousands of rates and trillions of lines of data.
- **Inconsistent compliance** due to the combination of immense data sets, changes in submission requirements that change the data outputs, and subsequent rulings that impact how the data are delivered.

To overcome these challenges, healthcare leaders need an integrated solution that provides trustworthy market transparency data, as well as internal cost and contract insights. The solution should integrate payor insights into a single platform for comprehensive analysis. Organizations need dedicated payor reporting that can provide consistent and actionable insights into payor performance — through enhanced scorecards and reporting to support informed negotiations.

Analyze payor performance with comprehensive data and tools

Strata's Revenue Analytics suite brings together the data and tools you need to proactively assess and manage revenue and payor performance. The suite of solutions enriches data with market intelligence and advanced cost and revenue modeling tools, so you can optimize your reimbursement strategy with integrated analytics and payor performance management. The result: a holistic and actionable view going into negotiations.

The Revenue Analytics suite consists of three components: contract modeling capabilities, market data, and strategic pricing insights. The capabilities support data-backed payor management strategies, helping healthcare leaders move beyond anecdotal arguments in payor negotiations by:

- Quantifying the financial impact of each payor contract
- Comparing reimbursement rates against peers and market norms
- Creating pricing that optimizes net revenue and grows volume

Simulate scenarios before contract negotiations begin

With StrataJazz® Contract Analytics, hospitals and health systems can model both government and commercial contracts, calculate expected payments, and estimate net revenue and margins. Our solution enables healthcare leaders to calculate the expected payment for services across the continuum, including hospital inpatient, outpatient, clinic, physician services, and post-acute care.

Contract Analytics ensures health systems can simulate different payment arrangements, terms, and scenarios ahead of time, for more powerful negotiations.

- **What-if analysis:** Test how changes in reimbursement rates or methods affect their financial performance.
- **Transparency:** See how current contracts compare to potential alternatives, helping them identify underperforming agreements.
- **Risk assessment:** Evaluate whether proposed contracts are financially sustainable by modeling upside/downside risk.

Contract Analytics lets health systems enter discussions with payors backed by evidence, showing exactly how specific contract terms will affect margins and sustainability.

The StrataJazz® Strategic Pricing tool enables organizations to thoughtfully and mathematically generate pricing that optimizes net revenue and grows volume. By combining accurate cost data with purpose-built pricing algorithms, comparative market data, and detailed payor contract terms, StrataJazz helps healthcare leaders easily identify opportunities to make pricing more strategic and defensible.

Conduct rate comparisons with external data

Access to robust, timely market data is critical for benchmarking and leverage. Understanding how reimbursement rates compare to regional and national peers helps systems justify requests for higher rates.

Strata's Market Reimbursement Intelligence (MRI) delivers unprecedented transparency into market-specific reimbursement rates, providing an objective understanding of how payor contracts compare with others in the area. For managed care teams, insights into financial opportunities make it easy to get rate-specific details at a code level.

MRI provides access to insurers' published rates in our Payor Rate Transparency (PRT) datasets. The data are provided directly from health plans and health insurers, which are required to publish rates for the healthcare services they cover through the federal Transparency in Coverage Rule, enacted in 2022.

MRI's market data helps prevent health systems from negotiating "blind" and supports a fact-based case for fair market value. Healthcare organizations can report by geography, payor, provider, and current procedural terminology (CPT) code to better understand the market value of the services they provide and respond to contract proposals with more accurate data.

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Reveal the cost of care through costing and utilization insights

Understanding true costs of care delivery — not just charges — is essential in today's changing environment. StrataJazz® Decision Support provides the dashboards, visualizations, and advanced reporting capabilities finance teams need to leverage costing data in strategic decision-making.

Decision Support leverages time-driven costing, which uses time stamp data generated by electronic health records to help determine care costs. With this automated data, organizations can pinpoint cost details and better understand how costs vary based on the staff involved and the resources used. Decision Support also provides:

- **Service line cost analysis:** Identify high-cost areas versus efficient services to highlight where margin pressure is most acute.
- **Utilization patterns:** Track readmissions, ED visits, and unnecessary utilization to demonstrate where efficiency has improved.
- **Profitability insights:** Perform service line level profitability analysis with integrated cost data.

Within the Decision Support suite, StrataJazz Episode Analytics helps organizations drive quality care. Healthcare leaders can analyze patient cohorts across the full continuum of care, linking encounters to episodes for high-level analysis of patients in related care pathways. They can assess bundled payment models to ensure agreements are profitable and sustainable, and model the impact value-based care will have on patients and the organization. This includes building complex criteria to project financial performance and automate difficult analytics, thus ensuring lasting improvements.

Payors are increasingly focused on value-based arrangements. By demonstrating cost efficiency and performance improvements, health systems show they are strong partners in achieving shared goals.

Build data-backed negotiation strategies

When Strata's contract modeling, market data, and costing/utilization insights are combined, healthcare leaders can:

- Quantify the financial impact of each payor contract
- Compare reimbursement rates against peers and market norms
- Demonstrate cost efficiency and clinical variation

This integrated approach shifts the negotiation from a "rate increase request" to a strategic conversation about sustainability, value, and shared goals between healthcare organizations and payors.

For more information about Strata's Revenue Analytics suite and the power this combination of solutions brings to payor management analysis, visit our website or contact Strata.