

# Part 1: Contracting: Be In-The-Know Before You Go In-Network

\*Series: Working with Insurance - Navigating Contracts, Credentialing, and Compliance\*

Presented By: Emily Roche, Business Consultant w/ ABA Therapy Billing



# About this Webinar Series

## **Series: Working with Insurance - Navigating Contracts, Credentialing, and Compliance**

- \* Insurance funding impacts the structure of ABA businesses
- \* Increased coverage is positive for families and clients
- \* However, the burden falls on providers to navigate insurance reimbursements
- \* To maintain clinical quality, ABA businesses need a strong admin support system
  
- \* Part 1: Contracting: Be In-The-Know Before You Go In-Network
- \* Part 2: Credentialing: Dodging the Downfalls
- \* Part 3: Insurance Contracts: Maintenance and Compliance
- \* Part 4: Insurance Reimbursements: Billing Compliance



# Today's Agenda

- \* Insurance Reimbursements: Right for you business?
- \* Accepting Insurance: Lots and lots of paperwork!
- \* Administrative Workflows
- \* Fee Schedules and Profit Margins
- \* Compliance and Documentation
- \* Setting Realistic Timelines
- \* Signing the Contract
- \* Other Content: Blog and Handouts



# Insurance: Right for you business?

## Get to know the landscape of your location:

- \* Does your state have licensure? Is it a smooth process?
- \* Is the autism mandate broad or limited?
- \* Does the mandate set requirements for providers – such as RBT?
- \* Which insurance companies dominate your market?
- \* Are they accepting new providers?
- \* Are you a good collaborator?
- \* Do you have other providers that you can connect with?
- \* Do you need help? A consultant, accountant, lawyer, etc?



# Insurance: But is there any other way?

- \* As an independent practitioner:
  - \* School contracts
  - \* Supervising and training
  - \* Private pay clients
  - \* Social skills groups
  - \* Work as a contractor for an agency
- \* As a business:
  - \* Cost is likely to high for families if you only accept private pay
  - \* What are your growth goals?
  - \* What is the need in your community?



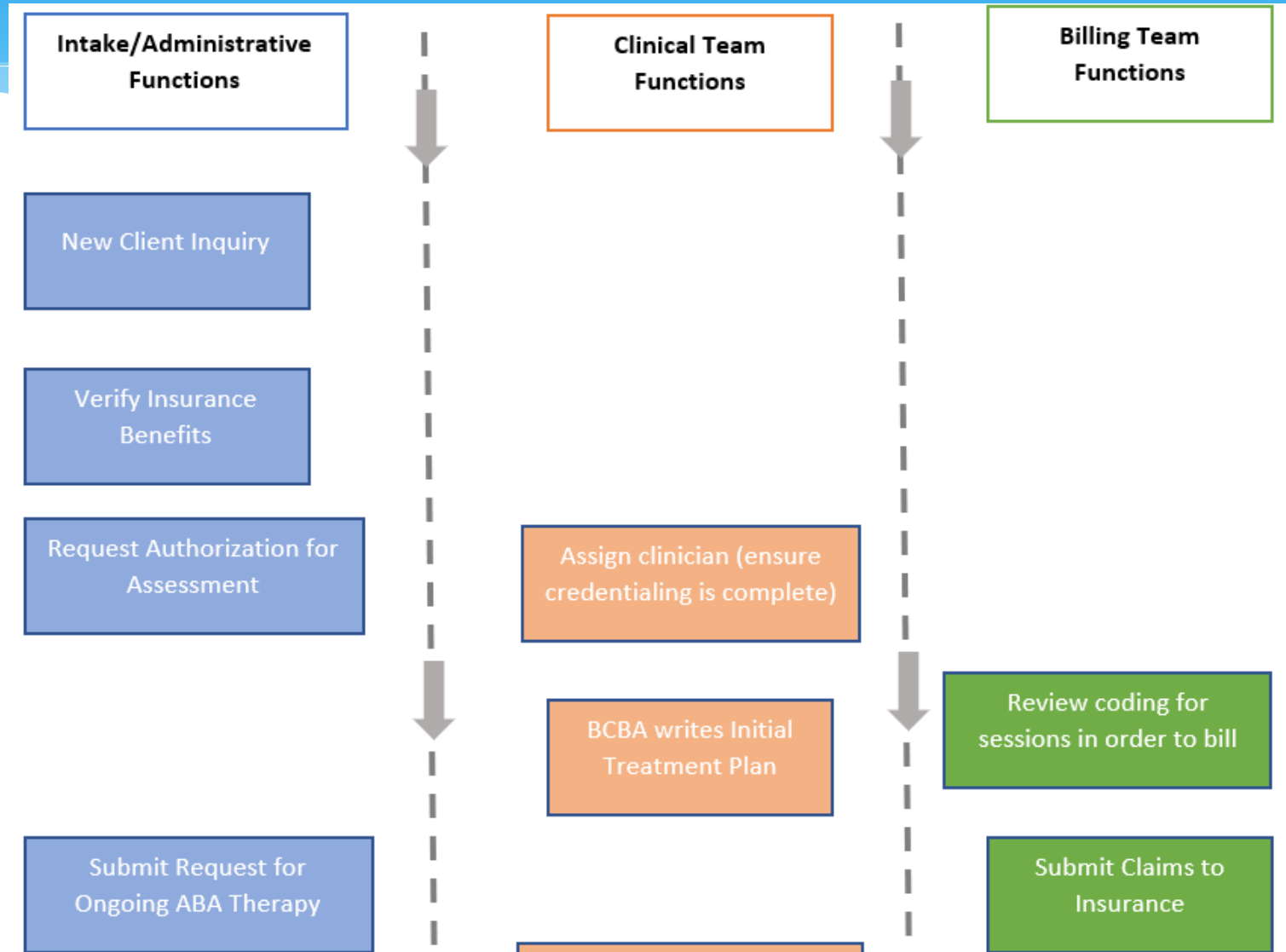
# Accepting Insurance: Lots and lots of paperwork!

- \* Working with insurance adds a significant administrative burden on a business
- \* Budget time and resources to handle insurance paperwork
- \* Will you need to hire staff to take on insurance related tasks?
- \* Would you prefer to outsource some of the process?
- \* Compliance: How will you learn the different legal and contractual aspects of working with insurance to be sure your business is compliant and protected?
- \* Trainings, conferences, state ABA associations



# Administrative Workflows

- \* See handout!
- \* The clinical team must be supported by good administrative work flows – both before and after services take place.



# Administrative Workflows



- \* Prepare to manage the entire revenue cycle.
- \* A lot of steps outside of clinical work have to take place in order to actually get reimbursed.
- \* Notice that Claims Submission is only #3. You are not done once you send the claim!



# You've Decided to Accept Insurance...

- \* The insurance landscape looks good
- \* You are prepared for additional administrative work
- \* Identified top insurers in the area

\* Now What?!?



# Fee Schedules and Profit Margins

- \* Do the homework to know your finances!
- \* Layout expenses:
  - \* Payroll
  - \* Training & CEUs
  - \* Facilities & Materials
  - \* Technology & Software
- \* Estimate revenue (see handout):
  - \* What reimbursement rates give you ideal margins?
  - \* What rate is too low to sustain your business?
  - \* What other elements contribute to profit margins?
- \* When will you walk away?



# Creating a Budget

Basic Example of Revenue Projection						
Highlighted boxes are for INPUTS that you can enter/change.						
Gray Boxes are populated by formulas						
Average Pay Rate for RBT per hour						
# of Hours Per Full Time Client						
# of Hours per Half Day Client						
Avg. BT fee schedule rate						*can average overall all insurance payers to estimate entire
Avg. BCBA fee schedule rate						
Utilization Rate (Billable Hours by Tech)		0.9				*estimate how many hours you pay technicians/how many
% of time direct supervision		15%				*average % of direct therapy hours supervised by BCBA
<b>Revenue</b>						
		<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>
# of Full Time Clients		10	10	10	10	10
# of Half Day Clients		10	10	10	10	10
Total Potential Hours		0.00	0.00	0.00	0.00	0.00
Total Hours Delivered		0.00	0.00	0.00	0.00	0.00
Total BT hours		0.00	0.00	0.00	0.00	0.00
Total BCBA hours		0.00	0.00	0.00	0.00	0.00
Total RBT revenue	\$	-	\$ -	\$ -	\$ -	\$ -
Total BCBA revenue	\$	-	\$ -	\$ -	\$ -	\$ -

- \* See handout
- \* Excel format makes it easy to create different scenarios

# Contracts and Negotiating

- \* Always try to negotiate contract terms that are not ideal
- \* Set realistic timelines in your business plan so there is time to negotiate
- \* Build a relationship with your provider representative
- \* Make your ask: higher rates, timely filing, credentialing requirements?
- \* Rates: keep it simple and focus on your differentiator
  - \* Be prepared to provide outcomes data and/or cost data if needed
- \* You might not sign every contract!
- \* Being patient to get the terms right now – sets the stage for future negotiations

# Compliance and Documentation

- \* Compliance is critical and includes all areas of the business
  - \* Personnel: provider requirements, HR documentation, training updates, etc.
  - \* Clinical Documentation: client files, session notes, treatment plans, data collection, etc.
  - \* Billing: proper scheduling and coding, claims submission and follow-up, appeals, etc.
- \* Parts 3 & 4 of this series will cover compliance!



# Compliance and Documentation

- \* Take Away for Today:
- \* How will you education yourself and your company about compliance requirements and issues?
- \* What workflows will you put in place to ensure compliance?
- \* What will you need to do to maintain compliance – session note quality, CPR renewals, etc.



# Setting Realistic Timelines

- \* Contracts can take 4-6 months (or more!)
- \* Setting realistic timelines for insurance will set you up for success:
  - \* Take time to negotiate
  - \* Build relationships with provider reps
  - \* Thoroughly understand requirements and guidelines
  - \* **Credentialing: also takes time (See Part 2 of series!)**
- \* Bridge the gap:
  - \* Out of network billing or single case agreements



# Contract Terms

- \* Review the contract
- \* Review ABA guidelines and the provider handbook
  - \* The contract implies that you are obligated to follow all handbook rules
- \* *See handout – create a template for reviewing insurance requirements and tracking all of your contracts*

PROVIDER QUALIFICATIONS	
Any additional requirements beyond BCBA certification for providers?	
Any certification requirements for behavior technicians? (i.e. RBT, education, etc.)	
TRAINING	
Any additional trainings required (i.e. First Aid, CPR, HIPAA, etc.)	
CREDENTIALING	
Turn-around time for credentialing new providers?	
Is the credentialing process aligned with other providers?	
List additional credentialing requirements:	
BILLING	
Are claims sent via electronic data interchange (EDI)?	
Is ERA/EFT (electronic) payment available?	
Are customary and usual rates accepted? (UCI)	



# Signing the Contract

- \* **Effective Date:** after signing the contract, you are not in-network until the insurance company assigns an effective date
- \* **Credentialing:** being able to actually provide in-network services means you have providers that have completed credentialing
  - \* See next months webinar
- \* **Maintenance:** stay up to date on changes by the insurance company
  - \* And, keep going back to negotiate rates and terms (every 1-2 years)

# Review: Is Insurance for You?

- \* Whether you are new to insurance, reviewing your business practices, or thinking about expanding – you need to be strategic and sustainable
- \* Working with insurance carriers a risk for your business, taking the time to understand the financial impact and set up correct procedures is essential
  - \* Worst case: cutting corners or moving forward without compliance in place could lead to missed revenue – or worse, serious audit and recoupments
- \* Strong business procedures will support quality clinical services
- \* Accepting insurance may be the only option to serve clients in need, but you must also get it right if you are going to keep your doors open

# Handouts

- \* Insurance: Workflow Chart
- \* Budget Format Example
- \* Contracts: Guide for tracking and evaluating contracts
- \* Power Point Slides
- \* Blog (<https://www.ababilling.net/blog/contracting-be-in-the-know-before-you-go-in-network/>)



# Questions?

- \* Contact Us: [info@ababilling.net](mailto:info@ababilling.net)
- \* Facebook Group:  
<https://www.facebook.com/groups/ababillinginshelp/?fref=nf>
- \* Website: [www.ababilling.net](http://www.ababilling.net)
  - \* Check out our blogs and future webinars for helpful info!



# Our Presenter

- \* Emily Roche, Consultant
  - \* Previous Director of Services, ABA Therapy Billing & Insurance
  - \* Working with ABA providers for 7 years
  - \* Masters Health Administration
  - \* Experience in insurance contracting, authorizations, benefits and eligibility, medical necessity appeals, revenue cycle management, and practice management software

