

# Episode Consulting and Episode Analytics

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## Assess and minimize the risks of value-based reimbursement

Health care reform is changing provider reimbursement models. Market reaction to the Affordable Care Act and its Hospital Readmissions Reduction Program has resulted in hospital systems branching out as insurers, corporations contracting directly with providers for episodes of care, and the continued acquisition of clinical practices by health systems. In January 2013, the Centers for Medicare and Medicaid Innovation (CMMI) announced that it had selected more than 400 participants to proceed with the Bundled Payment for Care Improvement Initiative, covering 179 MS-DRGs, or 70 percent of Medicare spending.

As a result, providers and payers alike must prepare for reimbursement variations, including bundled payments, and factor them into budgeting and operational plans. Coping with a myriad of payment methodologies, including fee-for-service, bundled payment, capitation and global payments, requires insight into care cost outliers, and intelligence to drive smart contracting decisions to preserve margins.

A successful transition to integrate cost and quality of care goals can present many financial and operational challenges. A key step includes identifying the key operational areas for improvement in order to help mitigate them. An effective evaluation requires both episode-building to provide insight, as well as data-driven analytics.

nThrive's Episode Consulting and Episode Analytics tools and services are designed to help health care providers and payers prepare for and manage the significant changes in payment

structure resulting from health care reform. Through clinical and academic experts combined with proven web-based technology, nThrive offers an end-to-end approach to implementing bundled payment methodologies and managing reimbursements under an episode-based payment system. Comprehensive readiness assessments, financial and clinical analysis, and consultative engagements can deliver complete visibility across a patient's full episode of care. We empower organizations with actionable insight to support strategies that mitigate risk.

### Expertise and certifications

Smart contracting decisions in a value-based reimbursement environment is imperative. The right choice is to work with a company that possesses deep domain expertise in building and evaluating bundled payment systems. It's also important to partner with consultants that know how to implement successful risk-based reimbursement programs.

Our team of medical and academic doctors offers years of experience in using data-driven analytics to help develop and implement new episodes for providers, commercial health plans and other industry organizations. We guide you in building custom bundle definitions, modeling bundled payment contracts and determining expected profitability by bundle. Engagements can include evaluating episode bundles used in the CMMI Bundled Payment Initiative, partnering with the clinical team to build new episode definitions and identifying potentially avoidable complications to improve organizational effectiveness.

## Bridging the transition

nThrive's Episode Consulting and Episode Analytics bridge the gap between traditional fee-for-service and fee-for-value reimbursement models, helping organizations to mitigate risk and make the transition to the new environment.

- **Episode Consulting:** Take that critical first step and quantify your potential financial impacts of bundled reimbursement to build organizational consensus. nThrive consultants create transparency by evaluating your organization's current reimbursements under various bundled reimbursement scenarios. The assessment utilizes comparative benchmarks to determine where the organization stands related to fee-for-value models and creates actionable information to facilitate financial improvement. Episode Consulting engagements help you build the risk mitigation strategy and transition plan needed to reduce clinical cost and move successfully to fee-for-value. Leading health care organizations have engaged our experts to conduct organizational readiness and/or strategic assessments, develop custom bundles and conduct financial and clinical consulting.

- **Episode Analytics:** nThrive experts regularly conduct engagements that support identifying and targeting preventable complications and readmissions across a population, modeling bundled payment contracts and determining expected profitability by bundle. Episode Analytics can target some or all of a client's claims for either a single or multiple business lines. Organizations gain an understanding of where the episode volumes exist, where the greatest savings and improvement opportunities lie, and what episodes would be best for their patient population.

## End-to-end solution

nThrive offers an array of proven, web-based products designed to support organizations that are ready to transition to bundled payments and need the ability to monitor and track their fee-for-value patients and payments. In addition to Episode Consulting and Episode Analytics, the company's Contract and Episode Management Solutions deliver products that use claim data to manage, process, price, track and reconcile episode-based payments.



### Engage with nThrive

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From patient-to-payment,<sup>SM</sup> nThrive empowers health care for every one in every community.<sup>SM</sup>