![BaseHealth]

Medicare RAF Revenue Cycle Optimization & Acceleration
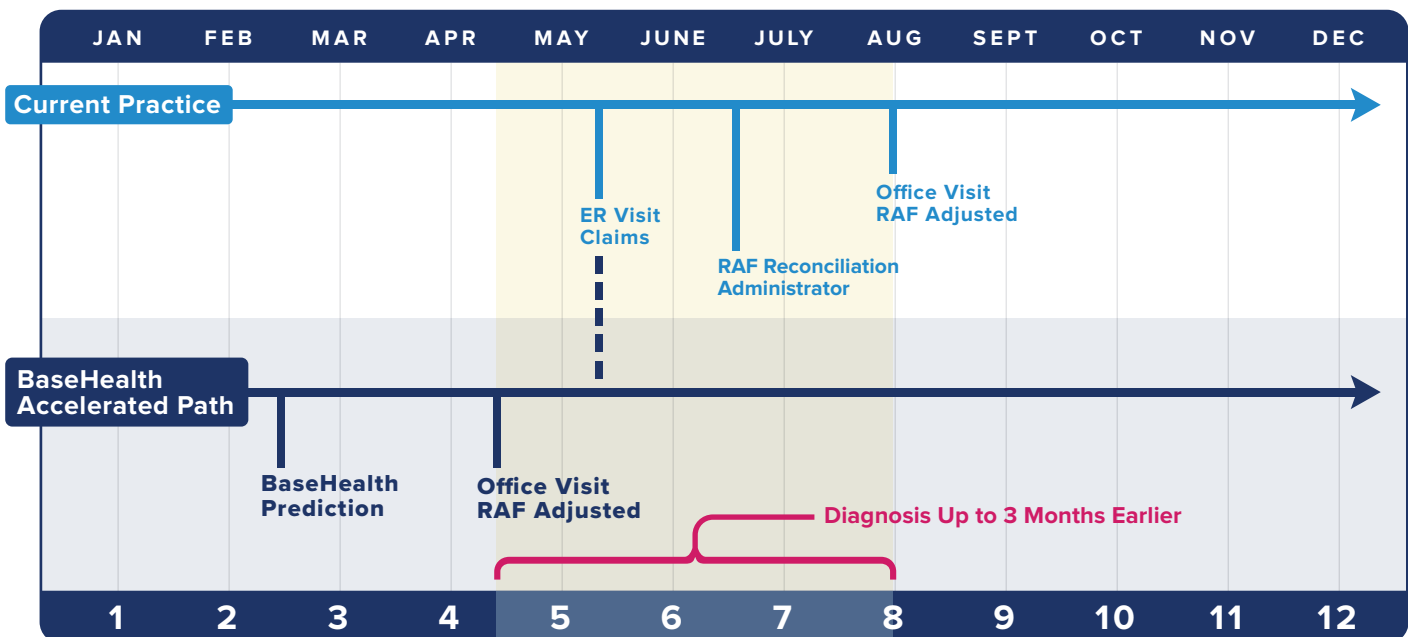
Revenue Cycle Optimization Case Study

Overview

The BaseHealth analytics engine can be applied to a unique market opportunity: Medicare RAF (or any risk-score) Revenue Cycle Optimization & Acceleration. The model has been proven with our anchor partner, Banner Health, and is particularly suited for health systems or ACOs looking to more effectively manage unknown, rising risk in their at-risk Medicare Advantage populations. The BaseHealth engine provides the ability to accelerate the evidence-based diagnosis of conditions for which a RAF score adjustment and increased revenue is warranted. This means accelerated reimbursement and appreciation of revenue. Learn more below about our ability to enable earlier and more efficient diagnosis of medical conditions and subsequent RAF adjustment using the BaseHealth analytic engine to identify and target high risk members for clinical diagnosis.

Medicare Advantage Member Path

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC

Current Practice

ER Visit Claims

RAF Reconciliation Administrator

Office Visit RAF Adjusted

BaseHealth Accelerated Path

BaseHealth Prediction

Office Visit RAF Adjusted

Diagnosis Up to 3 Months Earlier

1	2	3	4	5	6	7	8	9	10	11	12

Our Proposal: Identifying Priority Rising Risk Population for Early Clinical Exams

Through analysis of your rising risk population, we will identify individuals who are most appropriate for early clinical exams with risk factor analysis and correlative chronic and acute medical conditions. The prioritization of these members is based on the financial value associated with early clinical diagnosis, and will provide salient information to quickly guide interventional and care management efforts. Current industry risk adjustment programs are largely retrospective and often rely on chance — waiting for previously unidentified high-risk patients to have a catalytic health event and clinical encounter.

Proof of Value

An analysis of ~40,000 MA members yielded ~$87M of total risk gap, and the opportunity to realize ~$20M in accelerated payments and revenue appreciation by members with significant score gaps three months earlier than through traditional RAF claims reconciliation. The following illustration represents the targeted population for which early diagnosis appeared appropriate based on rich, evidence-based medical analysis.

Early Clinical Exam Value	Population Name: Medicare Advantage 2017	Total Estimated Claims Liability: $376.51M
Total Population	42,000	
BaseHealth Targeted Members	717	
BaseHealth Three Month Revenue Acceleration Potential	$10,005,692.37	
BaseHealth Three Month Acceleration PMPY Revenue Potential	$13,954.94	

Ideal Outcomes

We expect our Beta partner to see a significant acceleration in RAF adjusted revenue, beyond amounts traditionally captured through conventional retrospective RAF reconciliation. In a cohort of ~20,000 Medicare members, we typically see ~ $40M of total opportunity translating to three-month revenue acceleration potential of ~$10M. In addition to earlier appreciation of revenue, we see improved clinical outcomes with early diagnosis and clinical intervention. In concert, BaseHealth will validate there is greater than $10M in RAF adjudicated revenue due to early and accurate diagnosis, as well as an additional $10M in revenue acceleration with identification of undiagnosed members that would not have been picked up during the coverage year.

Contact Sam Smith, Vice President, Value-Based Solutions at 817.915.9700 for more information.