

RATE NEGOTIATION FOR A SUCCESSFUL ABA PRACTICE

Learn how to negotiate better rates for your services and prepare your ABA organization for the future of value-based payments.



Behavioral Health Center of Excellence

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About us

BHCOE is an ANSI-accredited standards developer and an accrediting body within the autism field. BHCOE is dedicated to transforming care for people with autism and related developmental disabilities through a relentless focus on serving as a source for the autism community on how best to improve the quality of care, safety, well-being and life for patients and families. BHCOE Works directly in the Autism health space by accrediting Applied Behavior Analysis (ABA) providers. Accreditation ensures conformance with the Standards of Excellence in ABA and helps parents, providers, payors and other organizations ensure quality and access to necessary ABA services. It is our mission to ensure access to patient-centered ABA care that is of the highest quality and accessible to all who need it. We work with any size ABA organization from new ABA providers with one patient to multi-state, multi-site providers with thousands of patients, our accreditation and accompanying resources are a fit for ABA organizations internationally and domestically in the United States. BHCOE is a Certified B-Corporation committed to quality, promoting sustainability, and equitable and regenerative economic systems for all. The Behavioral Health Center of Excellence, The Skinner Report Podcast and Accelerated Delegated Credentialing are all subsidiaries of BHCOE.

THE SUCCESS OF AN ABA ORGANIZATION IS TIED TO ITS REIMBURSEMENT RATES. WITHOUT SUSTAINABLE RATES, A PRACTICE CAN'T DELIVER CARE TO THE PATIENTS THEY COMPASSIONATELY SERVE.

But health insurance companies (payors) continuously strive to maintain costs, and aren't offering top rates to every ABA provider. Rates can be negotiated with many payors, however. And even if you agreed to a low rate initially, opportunities exist to renegotiate your rate at contract renewal.

In this guide, you'll learn:



How Payors Set Rates

What Payors Look for in ABA Providers

How Accreditation Assists with Rate Negotiation

How to Prepare for Rate Negotiation Meetings

How to Get Ready for the Future of Outcome-Based Payments

How BHCOE Accreditation Drives Continuous Improvement

HOW PAYORS SET RATES



Supply and Demand

The number of available providers in a geographic area compared to the demand for the providers' area of specialization weighs significantly into the rate equation. While there's nothing you can do to change your standing short of moving to a different location, you'll need to take supply and demand into account when you're considering the rate you intend to pitch to payors.



Competition Among Payors

Private insurers face pressure to offer their members a wide network of providers. And to attract providers, they must offer competitive rates. For this reason, it's helpful to know the rates other private payors are paying to high-quality providers of ABA services. (Note that Medicare and Medicaid pay set state-specific rates and do not typically negotiate with providers.)



Access vs. Projected Cost

When setting rates, payors evaluate the relationship between the projected cost with patient access and quality care. All providers are treated the same when there's no obvious differentiator. For this reason, it's crucial for ABA providers to clearly communicate the ways in which they achieve quality, backed by evidence. In a moment, we'll explore what payors are looking for in a preferred provider and how you can craft your negotiation presentation to align with their needs.



Did You Know?

BHCOE has a Payor Relations team dedicated to educating payors on the benefits of working with accredited providers who meet performance standards.

WHAT PAYORS LOOK FOR IN ABA PROVIDERS

Historically, payors viewed ABA services with a bit of skepticism and treated these services as experimental—largely due to a fear of skyrocketing costs associated with providing services to a patient indefinitely. Although payors are now mandated to reimburse for ABA services, many still have questions about the efficacy of these services, given the lack of clinical outcomes data. Demonstrating outcomes with benchmark data is key to successful rate negotiation for ABA services.*

In addition to outcomes, payors want to see several characteristics in a provider. Making sure that you're able to check off these boxes will increase your attractiveness.

- ✓ Accessible for new referrals
- ✓ Individualized dosage for treatment requests (not all requests are the same)
- ✓ Supervision in line with BACB guidelines
- ✓ If center-based, provide generalization opportunities in other settings
- ✓ If high volume, expect and welcome audits
- ✓ For insurers who cover school-based services, appropriate consultation
- ✓ Equip caregivers to manage behaviors and support skill development
- ✓ Demonstrate care coordination with other professionals

* BHCOE provides a wide variety of benchmark data during an organization's clinical evaluation for BHCOE Accreditation.

BHCOE ANATOMY OF A CLAIM

Before paying out a claim, a payor evaluates the claim according to the following criteria:

- | | | |
|---|---|--|
| 01 Is the patient found on our record? | 06 Is this provider in-network at this particular NPI group number? | 11 Is the deductible met? |
| 02 Is the patient eligible? | 07 Is the provider credentialed? | 12 Have the co-pay and coinsurance been applied? |
| 03 Is the billing code correct? | 08 Is the provider contracted? | 13 Is the out-of-pocket maximum met? |
| 04 Is the service covered? | 09 Are there rates set for this provider for this billing code? | 14 If all conditions are met, PAY THE CLAIM |
| 05 Is the patient eligible on the billed date of service (DOS)? | 10 Is there a limit to the number of daily units? | 15 If any conditions are not, DENY THE CLAIM |

Although you have the opportunity to edit and resubmit a claim after a denial, this process is time-consuming and delays reimbursement. For this reason, be sure to double-check patient information and billing codes for accuracy.

HOW ACCREDITATION ASSISTS RATE NEGOTIATION

Accreditation from a respected agency is a powerful tool for rate negotiation. Accreditation is only achieved when an organization demonstrates it has met and continues to meet clinical and administrative standards as determined by independent third-party evaluators.

Accreditation benefits the rate negotiation process by demonstrating four primary measures of quality:

High Consumer Satisfaction

When patients and their caregivers are happy, payors can expect greater patient engagement and reduced costs associated with case management. Providers with high consumer satisfaction rates typically have resources to assist caregivers through navigating their funding source, so payors don't need to allocate as many resources to this task.

High Staff Satisfaction

While the focus of every high-quality provider is on the patients, payors also look at staff satisfaction as a key indicator of quality services. The reason for this is that staff satisfaction is correlated with low turn-over, and low turn-over ensures efficient care and continuity of care. Efficiency and continuity directly translate into cost savings. Presenting data that shows your staff members are not just qualified, but also happy, will help your negotiation efforts.

Excellence in Clinical Outcomes

It goes without saying that excellent clinical outcomes are evidence of high-quality services. But payors aren't only interested in outcomes — they're primarily looking for outcomes that result in reduced costs. For example, excellent outcomes mean that services for a patient won't go on indefinitely.

Compliance w/ANSI National Consensus Standards

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ACCREDITATION SUCCESS SNAPSHOT: BREAKTHROUGH BEHAVIOR

Breakthrough Behavior, a BHCOE-accredited ABA organization based in Florida, emphasized its accreditation status as part of a successful rate negotiation process.

The Breakthrough team demonstrated that quality of services drives outcomes for their members. And the faster the reduction of impairments for their members, the fewer costs associated with each member. Sarah Vega, COO of Breakthrough Behavior says, "BHCOE accreditation sets us apart as a high-quality provider. I used our accreditation status as part of the negotiation strategy. I highlighted to the provider relations representative that not all providers deliver the same quality of services. The rates should not be equal for all providers because the services delivered are not equal."



Breakthrough Behavior was able to achieve:

- **40%** increase in direct service rates
- **35%** increase in protocol modification rate
- **Fast turnaround:**
Timeline was about two months from initial conversation to executed contract

PREPARING FOR A RATE NEGOTIATION MEETING

To successfully negotiate with payors, you must demonstrate that you're an asset to them and show how your ABA services are vital to both patients and the network. The key is coming to the negotiation table with facts, figures and, most importantly, a strategy. Follow these steps to prepare for your next rate negotiation.

Before the Meeting: Gather Data

- ✓ Staff and patient satisfaction benchmarked against the industry standard
- ✓ Market dynamics, such as scarcity of ABA specialists in the area and median salary
- ✓ Your demonstrated clinical outcomes
- ✓ Practice profitability and costs
- ✓ Reimbursement amount you want (Hint: start at a higher amount than you expect the payor to consider)
- ✓ Prepare your presentation

In the Meeting: Make Your Case

- ✓ Describe your service and how you execute it
- ✓ Share positive findings from your BHCOE accreditation evaluation
- ✓ Highlight unique aspects of your practice
- ✓ Show comparative rates with other payors (Note: use a justification, provide salary requirements, and include codes and units)
- ✓ Highlight outcomes and cost-benefit data (Examples: patient and staff satisfaction, behavior analyst tenure, patient length of stay, average weekly direct ABA hours, caregiver participation)
- ✓ Demonstrate collaboration with other behavioral health and medical providers
- ✓ Showcase quality indicators (Examples: designated ethics, quality assurance and HIPAA privacy officers, waitlist procedure, assuring generalization of ABA)

PREPARING FOR THE FUTURE

Value-based care and value-based payment are hot topics of conversation among healthcare providers of all types, including ABA organizations. Value-based care is the future of healthcare, and although it has not yet fully arrived in applied behavior analysis, it will soon fundamentally change the relationship between service provision and reimbursement.

Value-based care incentivizes providers to focus on the quality of services rendered rather than the quantity. Under a value-based payment model, providers are compensated based on patient outcomes. Payors are already developing value-based payment arrangements, and accreditation helps you prepare for the future by demonstrating quality and maintaining the highest rates through proven outcomes. In many cases, accreditation by a nationally recognized accredited entity is a requirement to participate in value-based care arrangements.

HOW BHCOE ACCREDITATION HELPS ABA PRACTICES DRIVE CONTINUOUS IMPROVEMENT

BHCOE is the only standards developer for the ABA field to be accredited by the American National Standards Institute (ANSI), which has served and protected the public interest for 100 years as the national and global non-profit leader in standards development across nearly every industry. BHCOE-accredited organizations use their accreditation status to achieve better reimbursement rates, but the benefits they receive don't stop there.

Here's what you can expect from BHCOE accreditation:

Demonstrate patient protection:

Accreditation provides assurance to patients and caregivers seeking services that an ABA organization has demonstrated conformance to nationally accepted standards.

Organize and strengthen patient outcome efforts:

Quality of care issues are at the forefront of BHCOE standards and initiatives. Accredited organizations demonstrate patient outcomes and progress over time.

Strengthens community confidence in the quality of care, treatment, and services:

Achieving accreditation makes a strong statement to the community about an organization's efforts to provide the highest quality ABA services.

Improves risk management

and risk reduction: BHCOE Accreditation standards focus on state-of-the-art performance improvement strategies that help ABA organizations continuously improve the quality of care, which can reduce the risk of negligence, litigation, or low-quality care.

May reduce liability insurance costs and may fulfill regulatory requirements in select states:

By enhancing risk management efforts, accreditation may improve access to and reduce the cost of liability insurance coverage.

Provides professional advice and counsel, enhancing staff

education: BHCOE clinical evaluators are experienced Board Certified Behavior Analysts trained to provide expert advice and education services during the on-site survey.

Enhances staff recruitment and development:

BHCOE Accreditation can attract qualified personnel, who prefer to serve in an accredited organization. Accredited organizations also provide additional opportunities for staff to develop their skills and knowledge.

Opportunities to participate in Value-Based Pay Initiatives:

BHCOE is facilitating partnerships that will allow accredited providers to participate in value-based bonus pay initiatives. These opportunities are available only to accredited organizations.

READY TO MAKE YOUR ABA PRACTICE STAND OUT?

As you seek opportunities to build trust and differentiate your organization, evaluate accreditation from Behavioral Health Center of Excellence.

Organizations pursuing BHCOE accreditation demonstrate a commitment to providing quality services by meeting or exceeding standards set by industry experts while leveraging our tools and expertise to highlight your quality services. Please note that any size ABA organization can apply for BHCOE Accreditation, from startup practices serving 1 patient to multi-state and international ABA providers. We invite you to complete the form, connect with one of our outreach team members and learn more about what BHCOE Accreditation can do for you.

**LEARN MORE ABOUT HOW
ACCREDITATION CAN HELP DISTINGUISH
YOUR ORGANIZATION**

[BHCOE.ORG/GETSTARTED](https://www.bhcoe.org/getstarted)



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