

Contract Negotiations to Enhance Patient Care

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Payor Contracts: Why?

- **Negotiated, predictable, set reimbursement amounts (fee schedule)**
- **Less patient cost-sharing (more from health plans)**
- **Less administrative burden for you and patients**
- **Possibly fewer denials of services for patients**
- **No balance billing the patients**
- **Contractual rights (and responsibilities)**

Relationship

- **How important is it to you and your practice?**
- **What percentage of your patients are covered by this plan?**
- **How strongly do you feel about certain terms or provisions?**
- **Under what facts are you willing to walk away?**
- **Are there tangential benefits to consider?**
- **Is your current decision temporary or fatal?**

Governing Law

- **Different from compliance with laws**
- **State law**
- **Mandatory benefits for patients**
- **Prompt payment**
- **Balance billing the patients**
- **Waiver of patient cost-sharing (copayment, coinsurance, deductible)**

Patient Services

- **Sufficient description (CPT codes)**
- **Comprehensive for your patients**
- **Right to limit to your specialty or scope of practice**
- **Ability to add or delete (notice)**
- **Gatekeeper (delay of patient care)**
- **Preauthorization (delay of patient care)**

Plans

- **Different rates**
- **Different coverage rules**
- **Different policies**
- **Different patient populations**

Reimbursement

- **Payer-specific rates (fee schedule)**
- **Medicare rates**
- **Percentage of rates**
- **Percentage of charges (usual & customary)**
- **Most favored nation clause**
- **Non-covered services addressed?**
- **Prompt payment from health plans**

Term

- **At least one year (typically three or five years)**
- **Some renewals (some automatic)**
- **Longer the term, more potential for higher rates (not always)**
- **Longer the term, more potential for negotiation (not always)**

Termination

- **Breach**
- **Licensure suspension/revocation**
- **Bankruptcy**
- **Conviction (felony)**
- **Disability**
- **Performance measures (economic credentialing)**
- **Without cause**

Hold Patient Harmless

- **Insured members**
- **Covered services**
- **Patient cost-sharing only (copay, coinsurance, deductible)**
- **No balance billing the patients**
- **Non-covered services addressed?**
- **Upgrades**

Indemnification

- **Mutual**
- **Type of damages**
- **Attorneys' fees**
- **Right to own legal counsel**
- **Settlement decisions**

Limitation of Liability

- **Actual or real damages**
- **Consequential or incidental damages**

Confidentiality

- **Different from HIPAA**
- **Real consequences**
- **Advisors exempt**
- **Injunction**
- **Damages**
- **FTC liability**

Amendment

- **Available**
- **Procedure**
- **Change in law**

Notice

- **Avoid one-way transmissions**
- **Require receipt confirmation**

Third Party Beneficiary

- **Expressly exclude**
- **Prevents patients from raising claims based on contract between practitioner and health plan**

Dispute Resolution

- **Mediation**
- **Arbitration**
- **Binding**
- **Cost**
- **Judicial**
- **Venue**
- **Jury**

Employer vs. Employee

- **Practice/Hospitals/Nursing Homes**
 - **Lowest Possible Compensation (Sufficient/Not Overpay)**
 - **Maximum Expertise and Skills**
 - **Personnel Retention**
 - **Corporate Growth**
- **Individual Podiatrist**
 - **Highest Possible Compensation (Sufficient/Not Underpaid)**
 - **Maximum Opportunity to Contribute and Learn**
 - **Job Satisfaction**
 - **Help Patients**

Employment or Services Agreements

- **W-2 Employment**
 - **Master-Servant Relationship**
 - **FT Annual Salary (plus bonus) or PT (Flexible)**
 - **Benefits**
 - **Potential Title/Ownership**
- **1099 Independent Contractor**
 - **Contractor Control and Freedom**
 - **Hourly Rate (Variable) or Per Project**
 - **No Benefits or Ownership**

Patient Focus

- **Pre-Contract Due Diligence (Interview)**
- **Preview of Employee Manual or Policies (Fringe Benefits)**
- **HIPAA Training**
- **Availability of Trainings on Best Practices and Current Guidelines**
- **Anonymous Compliance Hotline**

Contract Provisions

- **Compensation (or Costs) vs. Patient Care**
- **Quotas (Time Spent Per Patient)**
- **Stipend or Reimbursement for Trainings**
- **Availability of House Calls**
- **Availability of On-Call Coverage**
- **Charges to Patients Restricting Comprehensive Patient Care**

Questions?

Thank you!