



Maxwell Healthcare  
Associates



# Payor Profitability Solution

**A 360-Degree Look at Payor Involvement with Your Agencies.**

The Payor Profitability Solution is designed to give you a level of insight into how payor reimbursement and the burden of work occurs in your agency. Using numerous data points within this report, agencies have greater visibility into write-offs creating debt. This data, along with MHA's expertise allows you to tie payor financial data to back-office workflows such as authorizations, OASIS visits, and more. This enables your agency to understand the heartbeat of payor implications to help empower future decisions.

*Real solutions are tailored. Our team provides affordable, comprehensive and customized post-acute care consulting services that are scalable to your company's unique needs.*



Profitability  
Insights:

Understand multiple datapoints with powerful data analysis and reporting, scalable and tailored for each client.

- How is the health of the payors associated with your enterprise?
- Do certain payors create a burden of work when accepted?
- Do certain payors empower your organization to do more?





Help Understand the Profitability of Your Patients and Identify Areas for Improvement



# Payor Profitability Solution

## Optimize Financial Performance

Understanding the operational level of effort required to meet the needs of each payor is crucial for optimizing profitability. The profitability of each patient cared for by the agency will depend on the resources required to meet their specific needs. Providers make informed decisions about which payors to work with and how to allocate resources to best support patient care through tracking admin costs over time, and analyzing the level of effort required to meet the needs of the payor.

Metric	Medicare Payor 1	Medicare Payor 1 - Hospice	Medicare Advantage Payor 1	Medicare Advantage Payor 2	Medicare Advantage Payor 3	Medicare Advantage Payor 4	Medicare Advantage Payor 5	Medicare Advantage Payor 6
Episodes Cnt	4599	448	1092	371	205	126	109	47
Period Cnt	8733		2029	691	359	205	208	
Visit Cnt Total	76188	14702	18899	4368	2324	2262	1773	1388
Visit Cnt Per Episode	16.6	32.8	17.1	11.8	11.3	18.0	16.3	29.5
Visit Cnt Per Period	8.8		9.2	6.3	6.5	11.0	8.5	
Net Revenue	\$13,807,818	\$3,635,958	\$2,480,863	\$659,442	\$329,815	\$301,215	\$341,616	\$322,456
Net Revenue Per Episode	\$2,965	\$8,116	\$2,251	\$1,763	\$1,609	\$2,391	\$3,134	\$6,449
Net Revenue Per Period	\$1,582		\$1,224	\$896	\$924	\$1,489	\$1,690	
Avg Revenue Per Visit	\$177	\$247	\$131	\$149	\$142	\$133	\$193	\$216
Bad Debt	(\$10,351)	(\$11,373)	(\$11,771)	(\$130)		(\$191)		
Visit Costs Total	\$5,126,485	\$1,027,844	\$1,289,328	\$352,926	\$200,699	\$150,440	\$114,947	\$111,636
Visit Costs - Pay Per Point	\$4,167,599	\$95,848	\$1,047,903	\$268,217	\$152,248	\$129,852	\$104,523	\$4,151
Visit Costs - Salaried	\$326,774	\$354,088	\$79,494	\$35,443	\$26,325	\$3,304	\$3,767	\$55,341
Visit Costs - Hourly	\$70,486	\$371,908	\$28,086	\$9,035	\$2,821	\$4,049	\$3,667	\$40,229
Visit Costs - Per Visit	\$307,780	\$205,380	\$40,305	\$12,790	\$1,120	\$3,780	\$4,780	\$11,915
Visit Costs - Contract	\$453,865	\$420	\$93,540	\$27,500	\$18,185	\$9,455	\$2,990	\$9,455
Cost Per Visit Direct Labor	\$67	\$70	\$69	\$81	\$86	\$66	\$65	\$80
Office Costs Total	\$101,520	\$13,773	\$28,437	\$12,371	\$7,118	\$5,214	\$1,478	\$2,889
Marketing Costs Total	\$7,794	\$835	\$1,856	\$1,021	\$557	\$418	\$0	\$186
Margin	\$662,673	\$266,961	\$172,433	\$60,205	\$28,679	\$23,187	\$18,011	\$20,447
Margin Per Episode	\$1,648	\$7,627	\$1,553	\$1,338	\$1,366	\$1,546	\$2,251	\$3,408
Margin Per Visit	\$104	\$192	\$104	\$113	\$132	\$117	\$61	\$142
Margin %	55.0%	71.0%	54.0%	51.0%	53.0%	52.0%	51.0%	58.0%

### Realized Benefits:

- Pinpoint where bad debt is occurring with certain payors due to write-offs implemented in day-to-day operations.
- Identify the number of episodes or periods of treatment a provider has served, as well as the total number of visits.
- Direct labor costs, including both actual mix of caregivers and lowest cost mix of caregivers, as well as verification and billing costs, marketing costs, and admin costs.
- Create data points for marketing costs internally with certain payor groups/bundles. Quantify the ROI with marketing or business development employees to help create incentive and operational success.
- Estimated margin analysis, including the estimated margin per episode and the estimated margin per visit.



People. Process. Technology.

