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Oracle Health Insurance Value-Based Payments

Changing the way healthcare providers are reimbursed is essential to reducing healthcare cost. The traditional fee-for-service model embeds a financial incentive for quantity care. In contrast, value-based payment models redirect the financial incentive towards the quality of care, reimbursing the provider for the health of their patients instead. Oracle Health Insurance Value-Based payments is a cloud-based solution that enables payers operationalize such patient-health-centric payment models.

Paying for health, instead of paying for care

There are various value-based payment models emerging in the market today, as payers seek out new models that are most effective in improving patient health while reducing cost. These models range from simple capitation – prospectively paying providers, giving them the freedom to administer the care they think is most effective - to complex pay-for-performance models where the payer calculates patient health scores based on encounter data, and financially rewards providers whose patients score is above the benchmark.

Need for automation

While the concept of value-based reimbursement for healthcare has been around for a while, it has become more widespread and urgent in recent years. Due to the increased volume of value-based payments, it is no longer an option to get by with spreadsheets, manual payments, and homegrown solutions.

Today, payers require an enterprise strength solution that supports the prevalent reimbursement models, has the flexibility to support new payment models, streamlines and controls the payment process, and is fully compliant with healthcare privacy regulations.

Oracle Health Insurance Value-Based Payments has been engineered exactly for this purpose. It combines four robust capabilities:

- A workbench to set up your value-based payment models
- A rich set of integration points to ensure source data accuracy
- A calculation engine to determine the payment amounts
- A payment pre-processing engine that validates, enriches and combines all payments and sends them to your accounts payable solution

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Insurance

Part of a suite of healthcare payer solutions

Oracle Health Insurance Value-Based Payments is one component of Oracle Health Insurance, a product portfolio that manages all lines of business. Deploy a single component alongside current core systems or deploy multiple components pre-integrated with Oracle Health Insurance.

Key Benefits

- Reward providers for better healthcare for your members
- Improve provider satisfaction
- Remove human error from the equation
- Accelerate processing times
- Outpace competitors by supporting innovative value-based payment models
- Maximize operational efficiency

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Payment Model Workbench

Oracle Health Insurance Value-based payments enables you to configure, rather than code, new payment models – empowering you to design new ways of reimbursing providers as you see fit.

First, you decide what type of data to collect to determine the payment. You may choose to gather age, gender, PCP grade, and much more. If the data point that you need is not already there, you can simply add it without requiring any IT skills. When you do, that data point immediately available in the user interface and all related Application Programming Interfaces (APIs).

Next, you decide on which providers and members are within the scope of the calculation, and whether providers require a certain number of attributed members before being eligible for payment.

You complete the model by choosing between either a rate-schedule driven approach, where you decide the dimensions of the rate sheet, or payment function driven approach that takes a selection of the data points and calculates the reimbursement amounts.

All these elements – providers, members, payment model - are brought together on a reimbursement contract.

Built for Integration

The accuracy of the payment model is directly dependent on the accuracy of your provider, member, and enrollment information. Both payers and providers often worry about external and internal interoperability of value-based payment systems.

To ensure this is the case, Oracle Health Insurance Value-Based Payments integrates with third party systems, accepting source data through well-defined integration points. It enables continuous real-time data synchronization but can also handle file-based integration when integrating with your legacy systems.

Powerful Calculation Engine

Once you have set up your payment model, you can run your calculations for that particular contract. Oracle Health Insurance Value-Based Payments determines the eligible providers and members and decides the time spans during which the members are attributed to those providers. Next, it determines the applicable as per the payment model and produces detailed calculation result, detailed to the member level.

Oracle Health Insurance Value-Based Payments actively monitors for retro-active changes on the source data. Any changes that would affect a past calculation are automatically flagged, and during the next calculation run, these changes are automatically picked up so that corrective payments are generated, completely automatizing the otherwise manual and error prone process of detecting and correcting past payments.

Key Functions

- Per Member Per Month (PMPM) prospective payments
- Pay for Performance retrospective payments
- Accountable Care Organization (ACO) Shared Savings payments
- Non-fee-for-service payments

Key Features

- High performance calculation platform that also offers the flexibility that you require
- Adaptive UX that only shows what is relevant, depending on the user and the data displayed.
- Designed to integrate with your existing solution landscape.
- Automated detection of retro-active changes that result in corrective payments.

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Automated Pre-Payment Processor

Once the calculation process is complete, all resulting reimbursement transactions are funneled through a single robust and consistent payment pre-process that applies your validations and checks before any payment message is sent to Accounts Payable.

Oracle Health Insurance Value-Based Payments enables to configure a wide variety of rules to ensure accurate payments, including rules to

- pend for manual inspection, based on predefined triggers
- enrich, reject, and modify any calculated reimbursement
- callout to other systems to collect additional data required for the payment
- bundle the reimbursement payments from various sources so they are processed as a single payment

Once a reimbursement transaction has passed through all applicable rules, Oracle Health Insurance Value-Based Payments produces either payment events or payment files that can be consumed by your accounts payable solution.

Ready for the future

New and emerging reimbursement models focus on value, outcomes, and risk-sharing to improve quality of care and reduce costs. Legacy systems that were designed for traditional fee-for-service reimbursements do not address the need for automation of these new models.

Oracle Health Insurance Value-Based Payments provides you, as a healthcare payer, with a comprehensive cloud-based solution that enables you to rise to the occasion and be part of the ongoing change: Enabling payers to focus on the most important thing, the health of your members.

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