

## **New MSO/Payer Partnership Ensures Delegation Readiness**



**A rapidly growing management services organization (MSO), in partnership with a leading health insurance company, sought to ensure its delegation readiness in two existing, yet fledgling, geographic markets.**

### **Problem to Solve**

As health care continues to shift to an outcomes-based compensation model focused on delivering higher quality at a lower cost, the delegated model – transferring financial risk for health care services from payers to providers – has become increasingly popular. The delegated model, however, needs to be well-managed to benefit all involved – payers, providers and patients.

A rapidly growing management services organization (MSO), in partnership with a leading health insurance company, sought to ensure its delegation readiness in two existing, yet fledgling, geographic markets. This work was vital to ensure that both partners could capitalize on these opportunities and properly serve providers and their patients in these markets.

Because the MSO has focused its resources on expanding into new markets, it did not have in-house personnel allocated to properly manage the delegation readiness work of a new payer in an existing market. The MSO turned to Freed Associates (Freed) to manage this project, based on Freed’s prior experience with this MSO and extensive project management experience.

## Strategy and Tactics

Owing to the MSO's business timing needs, all delegation readiness work, including a pre-delegation audit, needed to be completed within six months. This project's complexity was heightened due to the fact that the MSO/payer partnership was occurring in two separate, non-contiguous states. While the MSO had previously worked in these two states, this would be a new market entry for the insurance company.

Freed worked quickly with representatives of the MSO and payer to establish timelines for each geography, denoting key project timelines and personnel responsible. Correspondingly, Freed set up and facilitated internal and external workgroups to develop all of the project's deliverables and ensure that key needs and deadlines were met.

The primary tasks of the delegation readiness project included:

- **Completing a pre-delegation audit tool** – covering utilization management (UM), population health management (PHM) and claims
- **Facilitating an on-site audit in partnership with the MSO's compliance team** – for UM, PHM and claims
- **Developing, signing off on and implementing workflow processes and procedures** – for UM and PHM
- **Coordinating and implementing a project plan and communication strategy** – to minimize the impact on and potential loss of providers and members in both markets
- **Configuring and testing the provider and member data in the MSO's system**
- **Implementing the insurer's operational readiness in each state**

Throughout this work, Freed identified and worked to resolve all pertinent risks and issues associated with the partners' operational readiness. These resolutions included steps for process improvements, policy development and resource gap closure.

To track project progress, Freed facilitated bi-weekly meetings with all key stakeholders to review project plans, determine next steps, identify issues and remove roadblocks. A corresponding executive dashboard, updated biweekly, kept all involved abreast of project status, risks and milestone achievements.

## Results and Conclusion

Freed successfully finished its work for the MSO/insurer delegation readiness project as promised, enabling the partners to work toward pursuing their new business interests in their two designated states. Most importantly, Freed worked to ensure ongoing continuity on this work, developing and providing a transition plan to support operations, and creating future-use templates that the MSO can utilize to support repeatable processes for delegation work with other partners and/or in other markets down the road. These templates will allow the MSO to more quickly and cost-effectively forge similar partnerships in the future, delivering a distinct bottom-line benefit

to the MSO.