



BROKER GUIDE

Exploring the next generation of reference-based pricing

See how new tools and technology are improving client satisfaction.



On the forefront of change.

RBP has advanced – from cutting costs to improving the overall member experience.



The first reference-based pricing solution was introduced more than 15 years ago as a way to address surging healthcare costs, build transparency into healthcare pricing and make healthcare providers more accountable for what they charge. Today, RBP is a proven solution used by employers (and their brokers) to lower healthcare spend by 15-30% a year.

The role of RBP has evolved.

Over the years, as more self-funded employers embraced the RBP model, a number of new providers have entered the marketplace. Today, there are dozens of RBP vendors promising big savings backed by service models that are vastly superior to what was offered a decade ago. Couple that with the latest technology advancements, and there's a lot to consider when evaluating the right solution for your clients. This guide will highlight the important enhancements that have the biggest impact on client satisfaction.

Next-generation RBP delivers a better experience for clients and their employees.

While cost containment is still the cornerstone of the reference-based pricing methodology, today's RBP providers offer next-generation solutions that go beyond savings and include strategies that take the entire healthcare experience into consideration. In this guide, we'll cover the latest advancements in RBP, focusing on three areas that have resulted in increased satisfaction levels for employers, HR teams and, ultimately, plan members.



Comprehensive support



Predictive analytics



Direct contracts

1

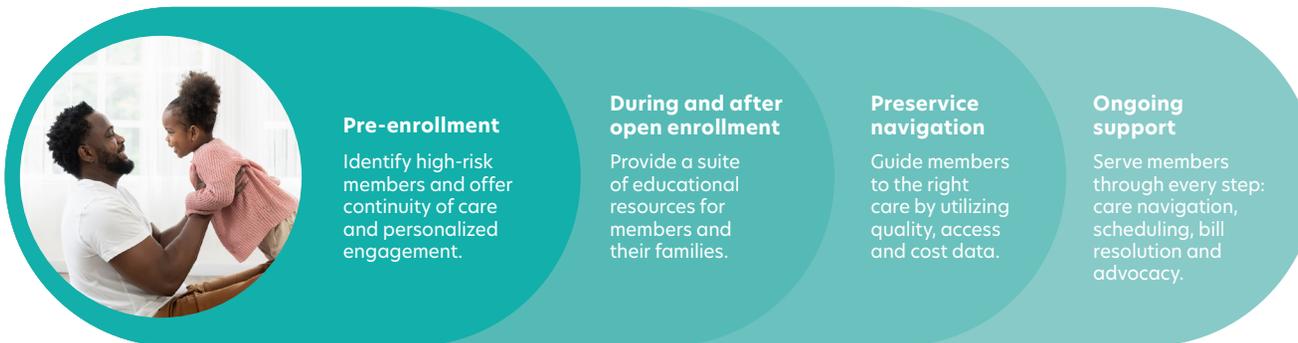
The member experience is key.

Comprehensive support is mission-critical to RBP's success.

When members don't feel supported, RBP fails. Fifteen years of data show that comprehensive member support is an essential component of an evolved RBP strategy. An advanced RBP solution should include a service model that surrounds members and HR with support, starting on day one.

Delivering 360-degree member support.

An advanced RBP solution should include a support system that engages members through every stage of the healthcare journey.



Offering advanced support that eases the HR burden.

When an employer changes benefit plans, employees have questions. But HR teams don't always have the time and resources to answer. A next-generation RBP provider should be able to offer an extra layer of support for HR that includes onsite open enrollment and an assigned customer relationship manager who can:

- Act as your employees' first point of contact.
- Field employees' questions, allowing HR teams to focus on their other responsibilities.
- Triage all inquiries and provide warm transfer to the support team as needed.

2

Data drives better results.

Using predictive analytics to improve the effectiveness of RBP.

Today, data modeling and predictive analytics are used within every corner of the healthcare industry – from clinical research to early disease detection to the assessment of patient outcomes. The same holds true in the RBP space as forward-thinking providers continue to harness the power of data to boost the performance of RBP and the member experience that the solution delivers.

A proactive approach to navigation and settlements.

Using advanced data modeling, next-generation RBP providers are able to estimate healthcare costs based on various factors, such as the provider, location and historical cost data. With this data in hand, members can be guided to high-quality providers that accept RBP – and away from providers that have a history of overcharging. The end result: Billing issues are identified and mitigated before they occur. Claims are resolved more effectively. And more plan savings are realized over the long term.

Access to data leads to smarter decisions.

Predictive analytics can play a significant role in enhancing the effectiveness and efficiency of RBP, especially when it comes to price negotiation. When managed correctly, a data-driven approach to RBP can result in a reduction of balance bills while still preserving plan savings.



“Data has become a vital tool that allows us to increase savings for our clients while also reducing member disruption. As one of the pioneers of RBP, we have access to 15+ years of data covering more than 20 million member months. Using this data, we’re able to predict provider concerns before they occur and pinpoint exactly when – and when not – to negotiate. It’s a game changer for our clients and their employees.”

Brandon Reeves
CIO / CTO, Imagine360

3

Direct contracts improve access to care.

Building relationships with providers further optimizes plan performance.

RBP innovators are continually incorporating new strategies to improve plan performance. One such strategy is the addition of direct contracting with physicians and hospitals. These contracts typically include preset rates and transparent pricing arrangements that help eliminate surprise medical bills and reduce price variability.

Direct contracts and RBP: A powerful combination

With both RBP and direct contracts in place, employers can create a solution that elevates the performance of their health plan, resulting in a better overall experience that includes:



Increased member satisfaction

When members have direct access to physicians, facilities, urgent care and other services, overall satisfaction is higher. Plus, direct contracts typically result in:

- A smoother billing process
- Virtual elimination of balance bills
- Improved member satisfaction levels



Enhanced plan flexibility

The combination of RBP and direct contracts allows employers to fill in coverage gaps – with RBP acting as an extra layer of price protection. This can be beneficial, especially for larger employers or organizations with a remote workforce.



More control over costs

Most direct contracts include preset rates, which give employers more control over healthcare costs. Adding direct contracts to a health plan that also features RBP can lead to significant cost savings over the long term.

“Currently, 9% of large employers have directly contracted primary care models in select markets. Another 17% are considering it for 2023.”

Business Group on Health Survey

The ultimate RBP checklist.

Five questions to ask when assessing RBP providers.

Now that you've seen what a next-generation RBP solution can look like, it's time to put your RBP partner to the test. Here are some questions to ask when weighing your RBP options.

How long have you offered RBP?

Be sure to ask your provider how long they've been in business, the extent of their market reach, and about the experience of their expanded team. Some newcomers may promise big results, but lack the insight and know-how to deliver. When it comes to choosing an RBP provider, experience matters.

What is your pricing methodology?

Most RBP providers use a benchmark like Medicare, usual and customary costs, or the actual cost reported by the facility to determine the reimbursement. It's important that you understand your RBP provider's pricing methodology, since each methodology offers varying degrees of savings.

What is the size of your member support team and how is it structured?

If your RBP solution doesn't include comprehensive support across every stage of the healthcare journey, chances are it will not deliver the right results. A next-generation RBP solution should offer an advanced support structure with a single point of contact that guides members through care navigation, scheduling, bill resolution and advocacy.

How are you using data to improve the performance of RBP?

Experienced providers know how to harness the power of data to optimize the performance of RBP. Be sure to ask your providers about the depth of their database and how they incorporate advanced tools, like predictive analytics, into their care navigation and RBP negotiation strategies.

Do you offer a health plan solution that includes direct contracts?

As this guide has shown, when RBP providers are able to include direct contracts as part of their solution, customer satisfaction levels rise and health plan performance vastly improves. Today's most advanced RBP providers should be able to deliver both.

Evolving with the times.

Moving forward with a next-generation RBP solution.

Now that you have a better understanding of what to look for in an RBP partner, it's time to identify which self-funded clients would benefit from this proven cost-cutting strategy.

Dual option: a good place to start.

Want to ease your clients into RBP? We recommend adding RBP side by side with a traditional PPO plan at open enrollment. This allows you and your client to offer two choices for covered members and ease the transition. If RBP works, then it's even easier to move to a full replacement in years two or three.

Get a free cost analysis.

Contact us today and we'll run a free cost-savings analysis for your clients.

610-321-1030

info@imagine360.com

[Imagine360.com](https://imagine360.com)



Discover the Imagine360 difference:



98% customer satisfaction rating



\$1 billion+ in client savings over 15+ years



1M+ providers through direct contracts