

Reference Based Pricing Solutions to Meet Your Budget

Seeking reprieve from inflated medical pricing and PPO contracts, employers are driving a trend toward alternative medical cost management. Enter: Reference Based Pricing (RBP). RBP is a cost management solution that expands patient choices, saves employers money and eliminates the need for a PPO. In other words, employers can have greater control in determining a fair and reasonable payment for services rendered. And, with Nova, you are guaranteed partnership and guidance so you're not on your own.



How it Works

Many self-funded employer groups are looking for a defined benefit structure based on more economical reimbursement levels, designed to be fair and reasonable to providers based on various pricing data sets. Typically, RBP programs leverage Medicare's reimbursement structure and determine a percentage in excess as fair and reasonable. Without the constraints of a PPO network, members have the ability to select a provider of choice and the plan is able to ensure access to local providers.



Cost Savings and Transparency

Medicare rates are considered an objective benchmark for claims payments. Medicare rates reimburse hospitals an average of 88% of their costs – so payment at 150% of Medicare (for instance) is often considered reasonable because it accounts for an estimated 176% of a hospital's costs, according to the American Hospital Association.

Nova offers customized strategies around alternative pricing solutions to provide a more comprehensive approach to cost management. Simple examples include utilizing RBP as a whole-network replacement or as a wrap-network replacement only for out-of-network claims. Nova works closely with plan sponsors to understand business goals and implement a RBP solution that meets unique client needs.



Why Nova?

Let's face it: RBP models are complex. And successful implementation takes some careful planning. Nova's industry experience and commitment to providing a seamless, transparent process for our clients allows us to ensure the appropriate safeguards are in place to protect you and your employees.

Nova also provides customized support materials to educate members on the flexibility of the arrangement in provider choice. The key to a positive member experience begins with a strong communication process to the membership. Nova provides customized instructive materials and open enrollment support to educate members on the flexibility of an open network solution as well as how to manage potential obstacles that they may incur along the way.

Nova's RBP solution provides resolution services in cases where providers reach out to members for excess (balance) billing above established RBP payment. In the event a member receives a balance bill from a hospital or outpatient facility for costs beyond the plan's normal cost-sharing requirements (i.e. deductible, copayment or coinsurance amount), Nova immediately steps in on the employee's behalf. Our service is geared toward making reasonable payments, settling disputed claims with medical providers, and ensuring members have an advocate in the event of balance-billing. Nova also provides consistent monitoring of legislation relative to RBP and "balance billing" practices.



Ready to Make a Change?

Helping employer-sponsored health plans contain costs and provide a better member experience is what Nova does best.

Plan sponsors experience cost savings and more regarding medical spend, while employees gain additional insight into the cost for medical services. Plan sponsors pay a better rate and members have a guaranteed ally to work on their behalf creating satisfied members and reduced plan costs. This is a plan design option built to benefit all parties. Because at Nova, we're more than a TPA, we're part of your crew.