

## The New Landscape

Fundamental Change to the US healthcare system had been foretold throughout much of the 20th century but failed to gain the support necessary to make it so. However, following the financial crisis in 2008 and with political and grassroots support, PPACA became the law of the land. You have read much about it, discussed it with your peers, heard providers and patients laud it and complain about it and have begun to feel the financial impact of it.

By now you may have reached conclusions that are quickly becoming widespread; the financial outlook for independent facilities is much more challenging than we hoped prior to the passage and implementation of the law and a physician's ability to provide the highest level of patient care is under attack. One thing is clear, there will be winners and losers as a result of PPACA. Big insurance will win as it wrote, or at a minimum heavily influenced, the law. How do you think the independent medical facilities will do?

Contego Solutions' mission:  
To help independent facilities win as well.

Contego has the capabilities and experience to do exactly that, help you win.

Prior to PPACA the healthcare industry was dominated by the large insurance companies. Big insurance was a benevolent dictator that raised premiums year-after-year at a double digit rate, introduced the consumer-driven care concept to begin shifting additional financial responsibility to the patient, and managed their profitability through the attainment of a targeted Medical Loss Ratio by denying coverage and applying pressure on in-network and out-of-network providers alike. While the system was weighted in the insurance companies' favor, independent facilities ultimately were paid enough to earn an acceptable return because the system was based on private insurance HMO rates.

### Landscape

- Bigger Hospital System – More Control and Power
  - Buying other Hospitals to gain market power and control
  - Buying the General Practitioners to control the referral network
  - Buying ASCs to control surgical cases and increase profit
  - Aggressively growing the Physician Direct Employee Pool



- Insurance Industry Hospital Ownership – More Control and Power
- Fewer Private Practices – Selling out to hospitals and surrendering to the rapid current
- Fewer Physician-owned ASCs – Selling out to hospitals and surrendering to the rapid current
- Fewer Physician-owned ASC Cases
  - Insurance Practice Liaisons Influencing Decisions
  - Insurance Companies Directing Decisions
  - Insurance Company Policies that Eliminate Reimbursement for Surgical Products
  - Purposeful Reduction in both overall In- and Out-of-Network ASC Reimbursements under the cover of reducing overall healthcare costs.
- Product/Device Manufacturing Consolidation
- Increasing Provider Costs
- Decreasing Provider Reimbursement – Medicare reimbursement rates are the new standard for private insurance companies even though they have nothing to do with medical cost and everything to do with the federal budget and the number of Medicare Subscribers
- Decreasing Standard of Care for Patients
- A 2-tiered Medical System
  - The “Haves” will receive their care from exceptionally qualified and independent physicians.
  - The “Have-Nots” will receive their care through the expanded hospital network and their direct employees.
- And yet, PPACA did two very interesting and empowering things:
  - Strengthened the Patient’s Right to Choose
  - Strengthened the Physician’s Right to Determine Medical Necessity

## The Question

How does a physician-owned ASC get “MORE for MORE” in a market where everyone else is getting “LESS for LESS?”

## The Answer

By unlocking the value of the asset (ASC) through the strategic application of Out-of-Network (OON) Claims Management in Partnership with Contego Solutions.



Contego Solutions

Private Insurance Reimbursement Experts

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## Contego Solutions: This is what we do!!!

We help physicians help their patients while simultaneously helping physicians help themselves. When successfully implemented, physicians and their patients get “More for More.”

- Contego unlocks the value of OON facility claims through a proprietary and highly effective OON claims management process.
- Contego unlocks additional OON facility value by strategically and simultaneously managing that OON claims management process for the facility and a Hi-tech OON Durable Medical Equipment provider that is focused on providing enhanced outcomes for patients who have made the investment in their OON benefits.
- Contego unlocks additional OON facility value by introducing implants and biologics that actually produce a profit rather than a drag on ASC financials.
- Contego partners with the ASC market and attract physicians and patients to maximize the utilization of the ASC thereby unlocking latent value.