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presents
Ask a Biller
with
Maggie & Dylan
Negotiating your Contracted Rates
Contracted Rate

The amount that an insurance payer agrees you should be reimbursed for your services.
Contracted Rate

- Negotiated rate
- Allowed amount
- Agreed upon amount
Credentialing

The process to join an insurance panel for the first time, during which your contracted rate is determined
Contracted Rate Factors

- Number of years in practice
- Geographic location
- Level of education
- Areas of expertise and specialties
Don’t let your clients know that you take their insurance until you have **confirmation from the payer** that you are on their panel.
http://ter.li/askabiller
Ask a Biller

Telehealth: Billing Insurance & Getting Paid

1. Telehealth: Billing Insurance & Getting Paid
   - 14:08
   - SimplePractice

2. Verification of Benefits
   - 24:25
   - SimplePractice

3. Client Payment Types
   - 13:22
   - SimplePractice

4. Contracting with Insurance
   - 12:17
   - SimplePractice

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Before Negotiating your Rate
Assemble a List of Differentiating Factors

- Do you speak multiple languages?
- Emergency or crisis treatment?
- Do you see a large quantity of clients?
- Do you serve in an under-represented location?
- Early morning, late evening, or weekend hours?
- Home visits?
- Specialize with kids?
- Specialize in chemical dependency or dual diagnosis?
- Do you serve people with autism?
- Do you serve veterans?
Gather Data

• Find data on your current contracted rate for common CPT codes
• Assemble competitive data
• Decide raise request amount (5% recommended)
\[ \text{Amount the client pays} + \text{Amount insurance pays} = \text{Current Contracted Rate} \]
Letter to the Insurance Panel

- How long you’ve been contracted with that panel
- The number of patients you see on a regular basis from that panel
- Your specialization, credentials, skills, and differentiating factors
- Plans for continued education and new services provided
- List the CPT codes you most commonly bill for and your suggested new rates
- State your enjoyment of working with this panel and that you hope to continue working with them for another X amount of years
Call your Payer

- Call the provider relations department for the payer—usually the same person you joined the panel with
- Search the name of the payer with “provider relations”
- Or, call the number on the back of your client’s ID card
DON’T

• Complain
• Over-represent or over-sell yourself
DO

• Be personable and friendly
• Explain the time and money you spend on continued education and enhanced service offerings
• Say you enjoy working with the panel
• Ask a friend or colleague about their experience
How long should I be on a panel before I ask for a raise in my rate?
Unless you’ve made big improvements to your practice, wait about 2 years before negotiating pay.
What happens if my request is denied?
Contact your rep to better understand the reason for the denial. Take their feedback seriously and reapply in 6 months.
How often can I negotiate my rate?
There is no limit, but be realistic about what is appropriate. Keep a running document of your significant achievements throughout the year.
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