

Creating Your Risk Reimbursement Strategy in a Time of Scarcity

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VBCExhibitHall
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Educational Webinar Series

Image by Terry Hush



Why Trust Roji Health Intelligence to Talk About Costs?

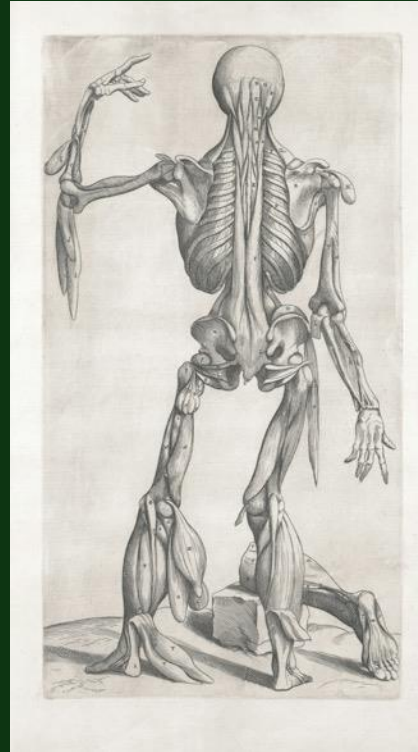
- Experience: We've aggregated data, negotiated as payers and providers, saved health care costs as employers, provider systems, and government.
- Technology: Our Value Based Care technology focuses on costs and clinical opportunities.
- Clients: Physician groups, multi-practice groups, and ACO clients use our VBC Cost Episodes.
- Clinically-Focused Technology : Roji Value-Based Care Episodes are the ultimate cost-quality analytics.
- Support for Payment Models: Our dedicated analytics support specialty payment models and ACOs.

What Are You Doing to Survive Under Scarcity?

1. Minimizing our risk-based reimbursements.



2. Participating with CMS risk payment models only.



3. Increasing both commercial and CMS risk payment models.



4. Dropping all payers with risk-based reimbursement.



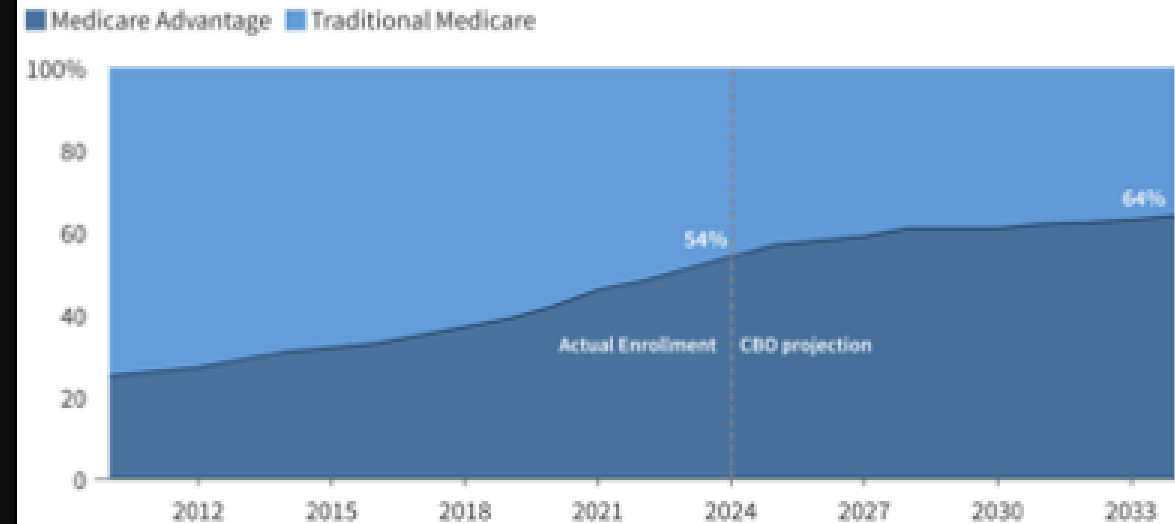
The Scarcity Environment



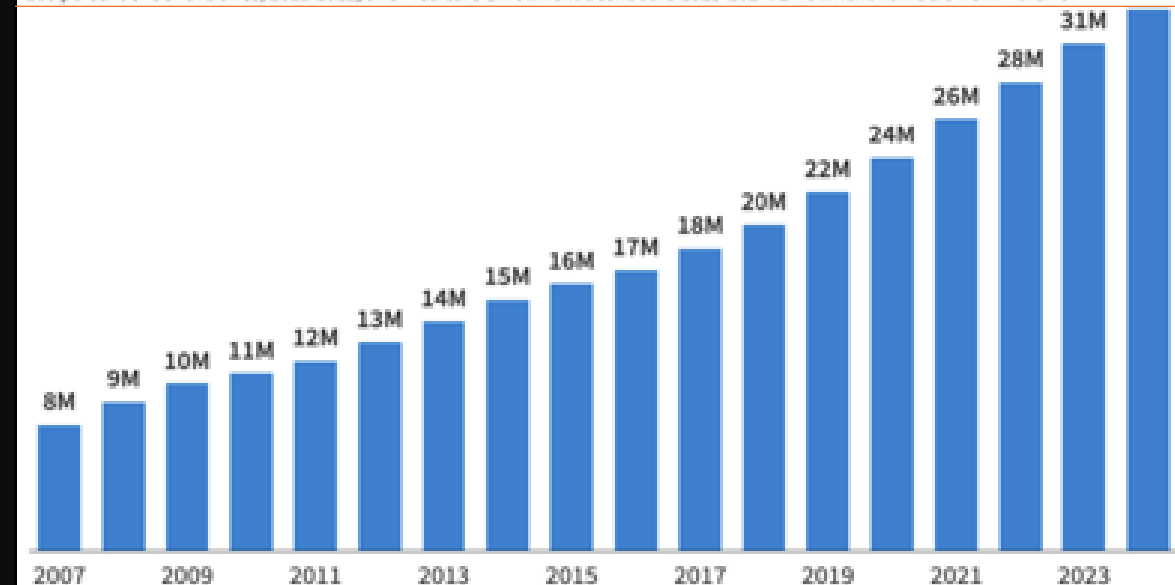
Reining in Fee For Service Costs

- From Equity to Insurance:
 - Steady increases in MA enrollment
 - Push for more: "MA for all"
 - Price Transparency
- IPPS Pressures:
 - Mandatory payment models (TEAM)
 - 5.1% expenses outpace 2.4% revenue raise

Medicare Advantage and Traditional Medicare Enrollment, Past and Projected



Source: KFF analysis of CMS Medicare Advantage Enrollment Files, 2010-2024; Medicare Chronic Conditions (CCW) Data Warehouse from 5 percent of beneficiaries, 2010-2016; CCW data from 20 percent of beneficiaries, 2017-2020; CCW data from 100 percent of beneficiaries, 2021-2022, and Medicare Enrollment Dashboard 2023-2024. Enrollment numbers from March of



Note: Enrollment data are from March of each year. Includes Medicare Advantage plans: HMOs, PPOs (local and regional), PFFS, and MSAs. About 61.2 million people are enrolled in Medicare Parts A and B in 2024.

Source: KFF analysis of CMS Medicare Advantage Enrollment Files, 2010-2024; Medicare Chronic Conditions (CCW) Data Warehouse from 5 percent of beneficiaries, 2010-2016; CCW data from 20 percent of beneficiaries, 2017-2020; CCW data from 100 percent of beneficiaries, 2021-2022, and Medicare Enrollment Dashboard 2023-2024. Enrollment numbers from March of


Lower Federal Revenues Have Global Impacts

HHS Budget Reflecting Reorganization Proposals
in FY2026 Budget (in millions of dollars)

Program	2024	2025	2026	2026 +/- 2025
NIH – Budget Auth	44,550	44,470	27,506	-16,963
NIH – Program	46,358	46,001	27,915	-18,086
CMS – Budget Auth	4,137	4,137	3,464	-673
CMS – Program	7,100	7,141	5,941	-1,200

Cuts to NIH Grants
(US Med Schools and Hospitals)

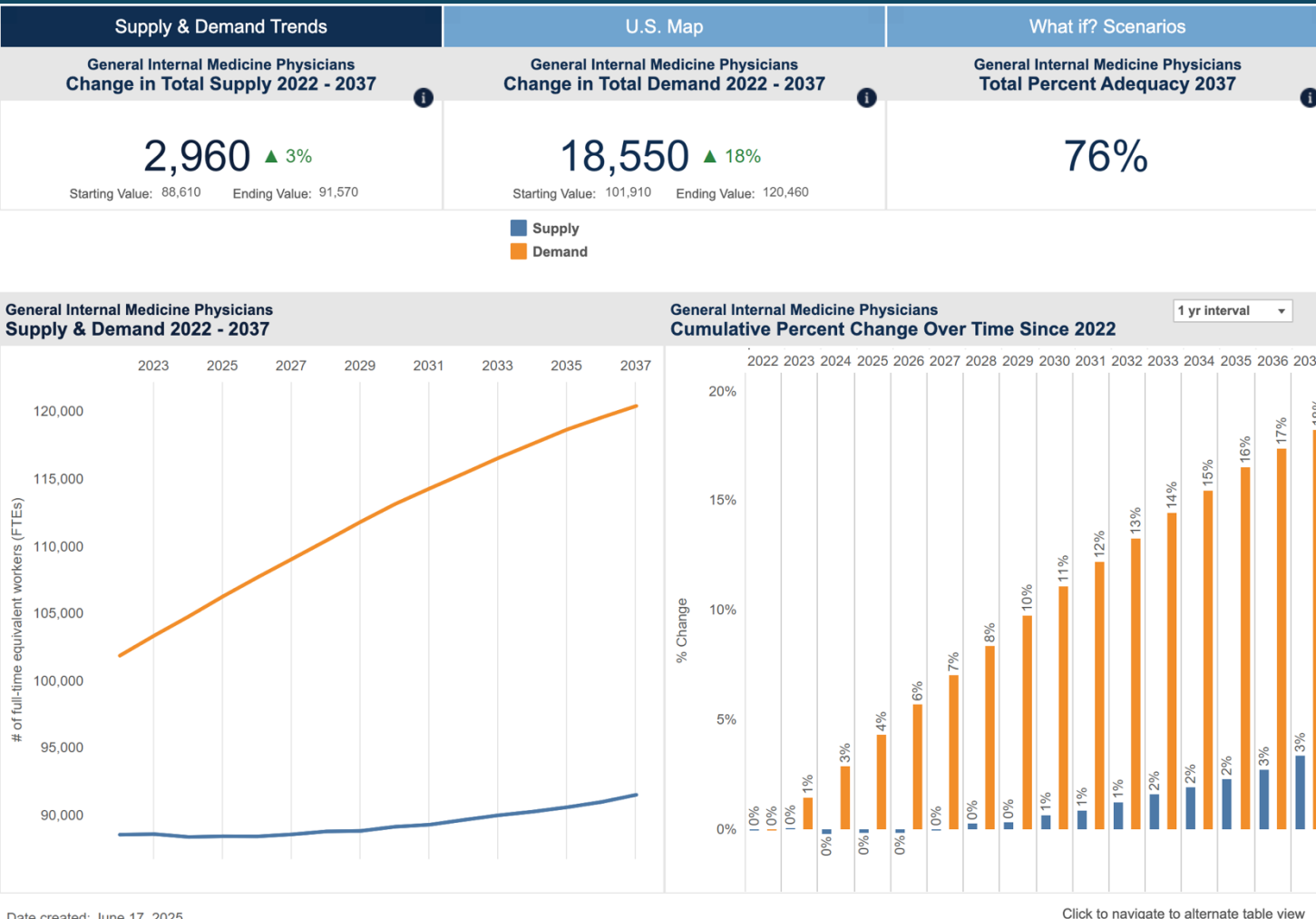




Decreased Federal Contribution to Research, Care Delivery, and Education

- Some grants unfrozen; many remain
- Even threats of scarcity lead to scarcity
 - Hiring freezes
 - Deferred wage increases
 - Delayed supply restocks
 - Treatment abandonment

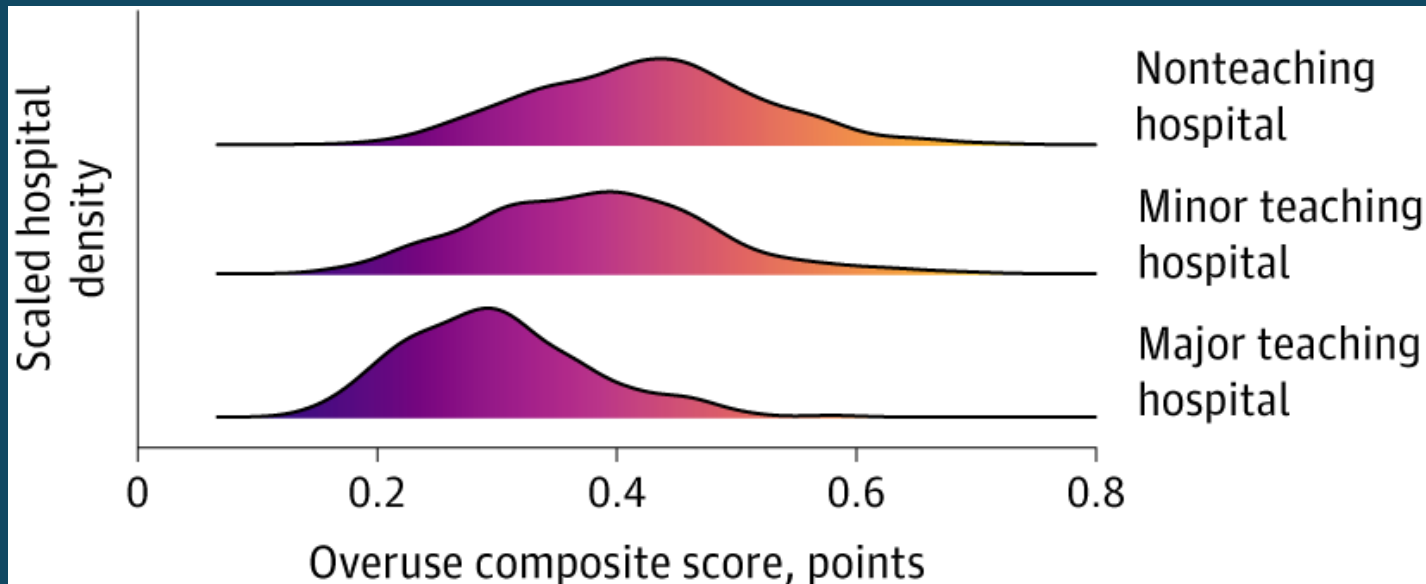
Residency Program Cuts Will Exacerbate Provider Shortage



- 700,000 students to lose Pell eligibility
- Elimination of subsidized student loans
- Lower graduate student loan borrowing limits
- Elimination of Grad PLUS; restrict Parent PLUS
- "Endowment Tax" siphons scholarship dollars

The Impact on Cuts to Teaching Hospitals

- Cuts to AMCs (research, residency, etc.) reduces treatment availability
- Result: Patients seek care elsewhere
- Cost Impact: Higher costs (excess spending) at non-teaching hospitals (JAMA, 2021)
- Quality Impact: Higher mortality rates and fewer healthy days at home in non-AMC settings (AAMC, 2023)



JAMA, 2021: Assessment of Overuse of Medical Tests and Treatments at US Hospitals Using Medicare Claims

Narrowed VBC Participation Options

- Mandatory Payment Models, e.g. TEAM
 - Episodic costs for major procedures
 - Must take on risk after initial year
 - Can include ACO participants
- Cutting Available Models
 - Kidney Care First option in KCC
 - Making Care Primary
- Heavy focus on Cost Control
 - Steady increase in MIPS Cost measures
 - Push for ACOs to move to risk
 - Medicare Advantage
 - New CMS Strategy says all models will have cost as focus

How Will Patient Needs Be Met?

Administration
leaning into
framework, not policy

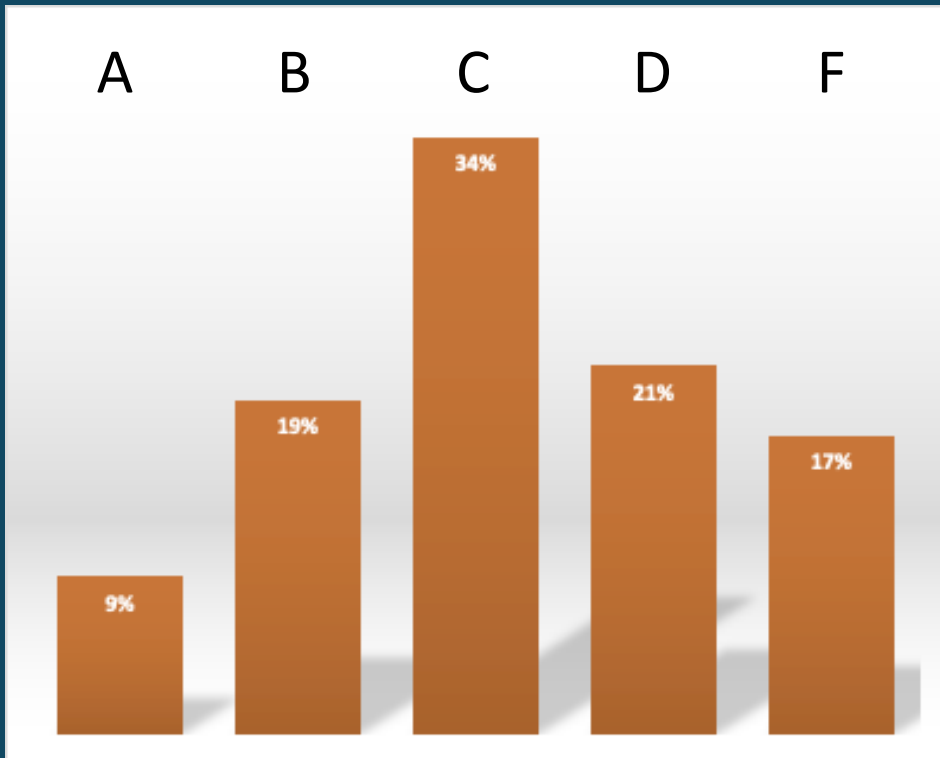
- Price transparency
- NIH Restructure
- Health Technology Ecosystem RFI
- Privatization

Private plans face
their own challenges

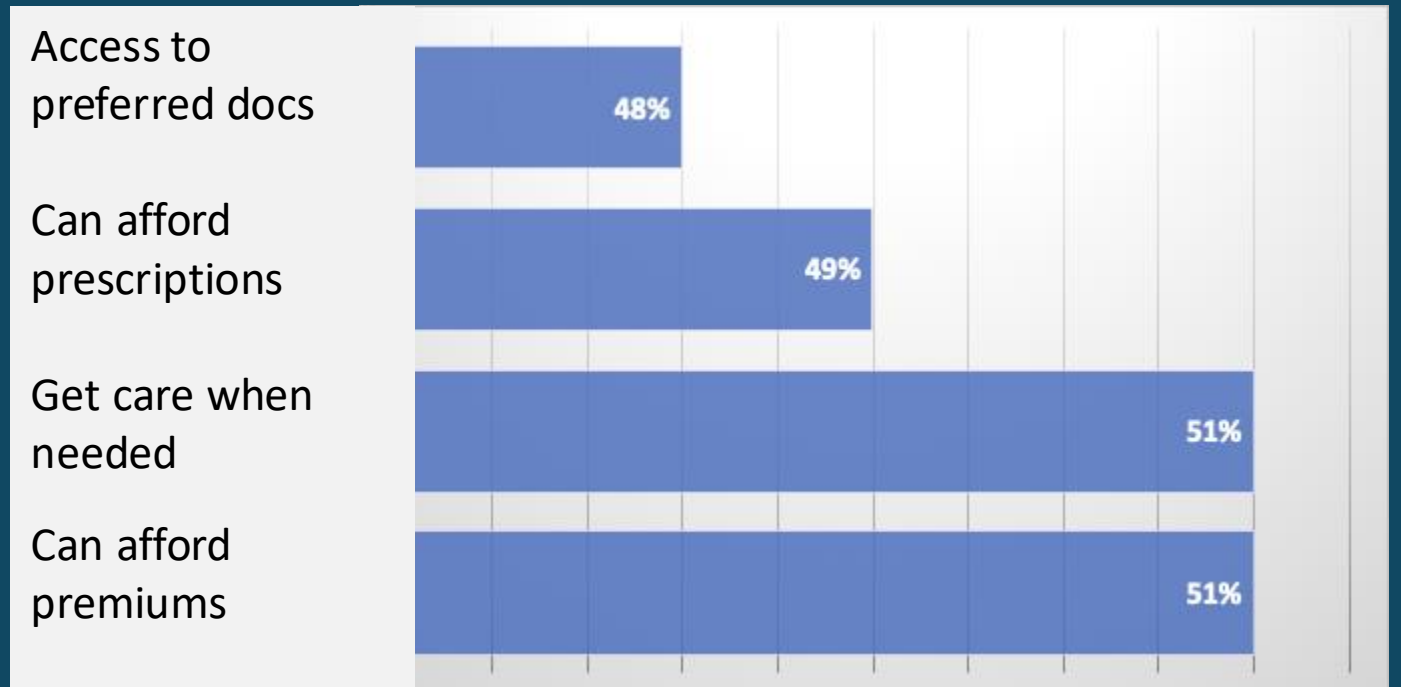
- Public opinion
- Increased audits
- Upcoding allegations
- Surprise utilization

The Demand for Change

How would you grade healthcare in the United States today?

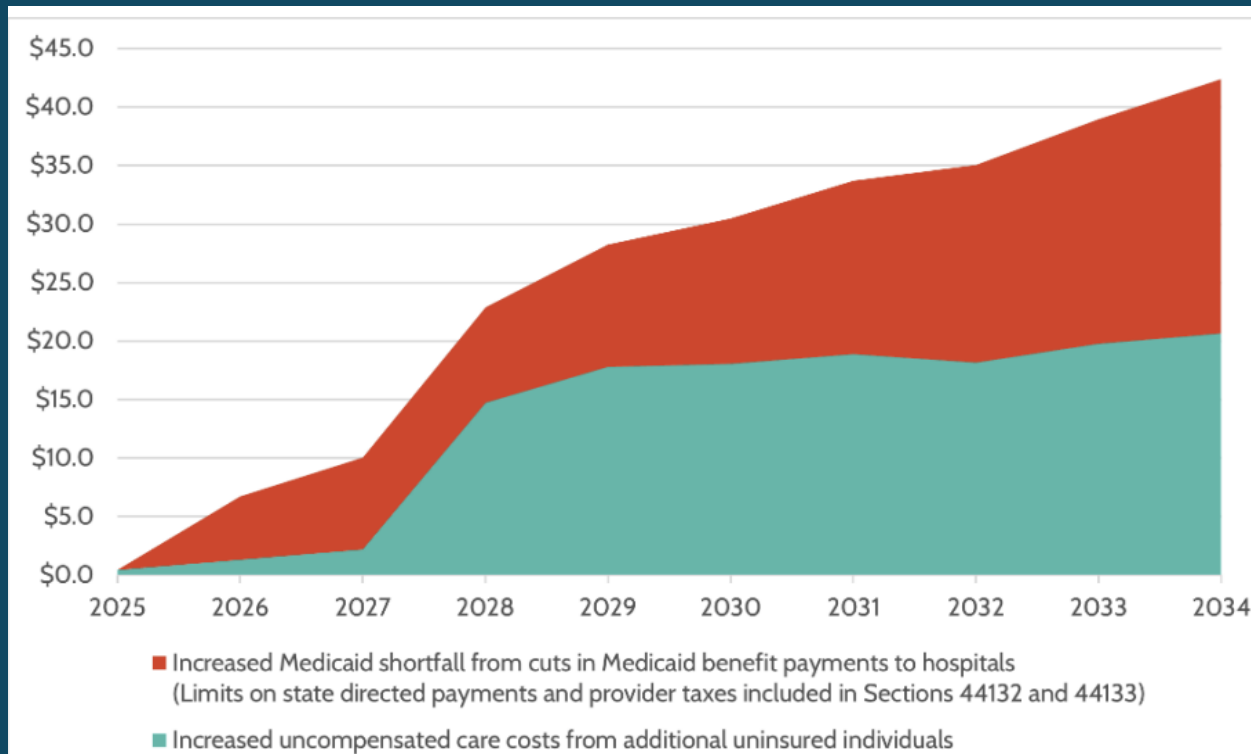


Healthcare access and affordability



Fewer Resources, Lack of Coverage: VBC is Critical to Lower Total Cost of Care

Projected Increase in Uncompensated Care Costs for Hospitals (billions)



Estimated patients who will annually forgo care: **129,000 - 839,000***

Estimated annual deaths that were medically preventable: **650 - 12,600***

*Annals of Internal Medicine, June 17, 2025

Source: America's Essential Hospitals
2025 Analysis of CBO Cost Estimates and Economic Baseline



Calibrating Your Risk Strategy to Your Organization's Profile

Cubic art image on Unsplash





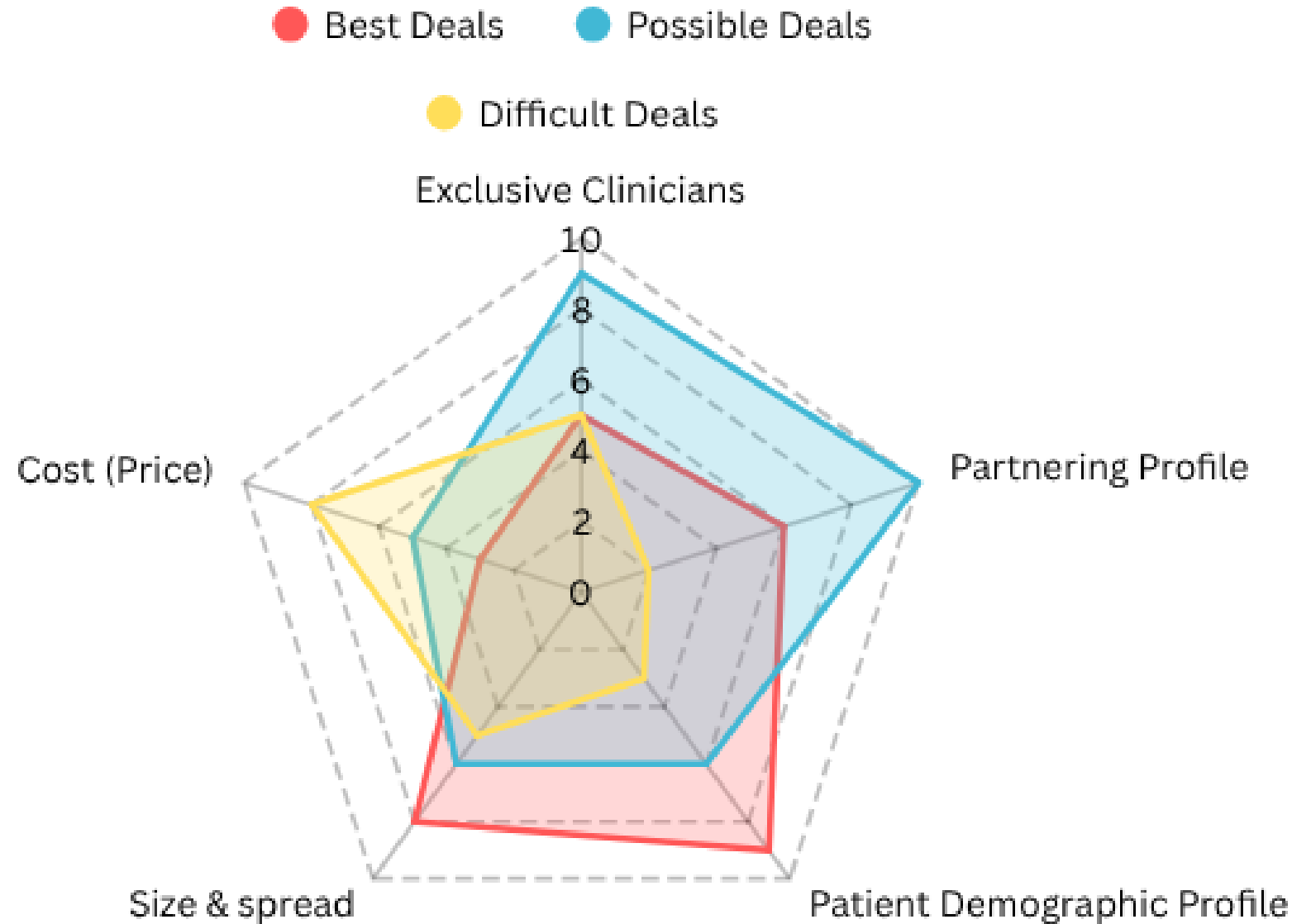
Peggy and Molly

Unlikely Alliances are Possible – If You Manage Factors for Risk

- External Factors: Your importance are to the payer / market
- Internal Factors: Your capability to live within Risk limits

External factors affect your ability to get good Risk deals with payers.

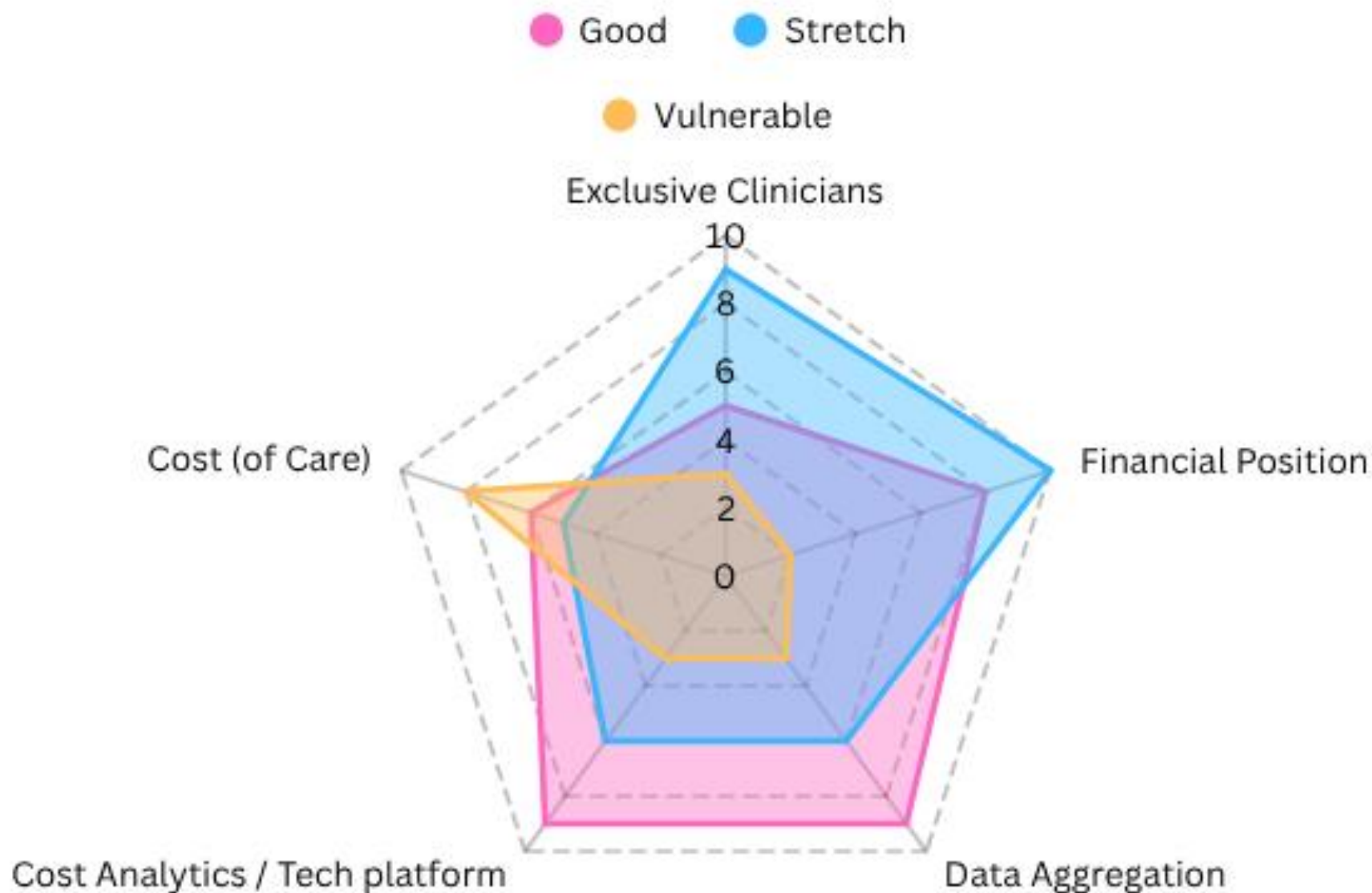
Cost is #1.



Useful Tools for Measuring External Attributes:

- Cost: MIPS Scores, CMS Cost Measures, Feedback from Payers
- Partnering Profile: % non-standard agreements / ventures with payers, ease of negotiations; special projects

Internal factors
affect your
sustainability
under Risk
deals.



Avoid Peril with 3 Strategies:

- Reduce Total Cost of Care by improving patient status and lowering patient risk.
- Measure and share performance.
- Examine opportunities to improve Risk Tolerance Factors

Culture of Risk Tolerance or Risk Opportunity



- You have an ACO. Does your ACO negotiate with Medicare Advantage plans?
- You participate in CMS value-based payment models. Do you participate in similar private payer models?
- You have an ACO with no downside risk?
- You keep capitation or episodic payments at the lowest feasible % of revenues.

Circular Battle

Risk Avoidance → Cost Penalties → Lower Revenues → Risk Avoidance



Art: George Bellows, The Ghost of Sargeant Pelly, 1918


Lack of a Multi-Payer Risk Strategy Sabotages Strength

- Can't justify investment in data, tools
- Physicians practice to meet volume, not performance
- Compared to others under risk, higher costs
- Gives you no on-ramp for the market



Make a Cost-Effective Transition to Risk Reimbursement





5 Foundational Factors for Risk-Reimbursement Success

- Engaged provider champions
- Community connections
- Data aggregation: EHR + Claims
- Analytics to analyze cost/quality
- Initiatives that reduce TCoC and PPCC

Preview Your Resource Allocation

MIPS Feedback

- Global and targeted Cost measures
- Standardized cost feedback compared to peers
- Metrics on utilization cost drivers
- Insights into patient attribution
- Quality measures identify at-risk patients

CMS Care Compare Website

Explore and download provider data on:



Dialysis facilities



Doctors and clinicians



Home health services



Hospice care



Hospitals



Inpatient rehabilitation facilities



Long-term care hospitals



Nursing homes including rehab services



Physician office visit costs

Incorporating Private Health Plans

Considerations

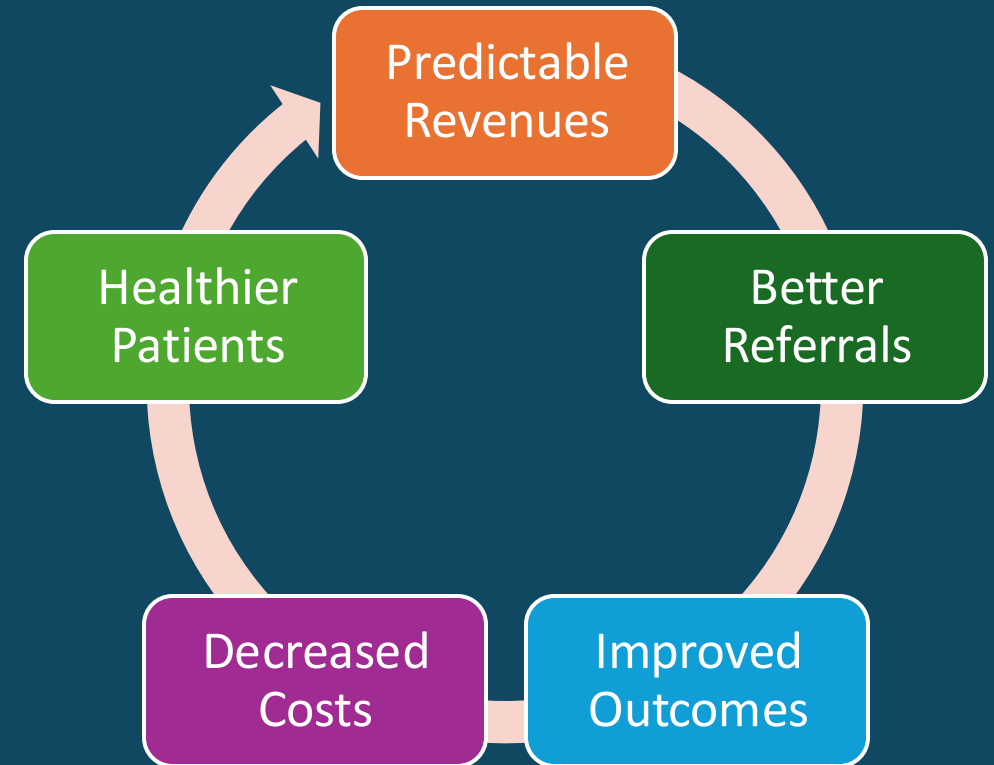
- Not all payers are good partners.
- What is opportunity?
- Will the experience be a collaboration or a trial?
- Maintain clinical autonomy!

Strategies

- Create a single, high standard of care
- Align workflows, prevent overload
- Define goals with and not for providers
- Partner with data aggregation and visualization experts

VBC Episodes: Essential for Primary and Specialty Care

- Roji's "Value-Based Care Episodes" provide actionable analytics on cost
- Treatment and procedural VBC Episodes
- Aggregate data for comprehensive views
- EHR data illuminates unseen risk factors





Juggling Multiple Models

- All focus on controlling costs
- Goal: Single high standard of care
- Example: MA and MSSP ACO
 - Different populations (premiums, out-of-pocket)
 - Same strategy: Reduce disease progression and address risk factors (fractures, falls)
 - Alignment already beginning: Quality reporting in IPPS Proposal

3 Assumptions that Will Clean You Out in VBC Payment Models



- **D**isregard historical performance (and what's behind the numbers). How did you avoid MIPS Penalties?
- **O**verestimate your ability to transform claims data into meaningful improvements - you will need a partner
- **A**nything, whether it's clinical excellence or a more challenging population

Create a Targeted Battle Strategy



Image by Aleks Marinkovic on Unsplash

- Build Internal Risk Capability.
- Develop External Negotiation Strategy.
- Refuel, improve, reboot.

Flight Path to Risk Capability



1. Aggregate EHR data and prepare VB Episodes and cost-quality analytics.
2. Initiate investigative data queries with key physicians into performance.
3. Participate in one payment model providing patient-centric transactions through claims data.
4. Calculate the financial benchmarks to expand risk projects to other payers.
5. Involve cohort of patients and physicians in one TCoC improvement initiative.

Risk Payments with Commercial Health Plans:

Choose partners
carefully.



Image by Camilo Contreras on Unsplash

Measure Potential for Payer Partners

- Viability of current reimbursement levels
- Book of business – risk level of patients
- Prior authorization denials and policies
- Claims denials for medical necessity
- Claims denials for other reasons (categorize)
- Experience from past negotiations
- Willingness to engage in partnership
- Position on patient-centric claims data

Risk Corridors for Capitation and Episodic Payments

- Address historical areas of dispute in negotiations
 - Redraw medical necessity
 - Support for novel care strategies
- Do due diligence on your costs, and calculate revenues/losses for the payment model
- Obtain stop loss coverage



Image by Nicholas Fuentes on Unsplash

Negotiation with Payer Partners

- One-way street, wrong partner!
- Payers must facilitate cost control efforts
- Understand what you bring to table
- Claims data is biggest Ask



Image by Calin Stan on Unsplash

What Is Patient Centric Claims Data?

- All claims for attributed patients
- Covers entire performance period
- Primary vs specialty – may be different
- Digitally provided – no views, portals
- Works for you:
 - Can be integrated with EHR data into a database for analytics
 - Comprehensive to build Value-Based Care Episodes
- You will likely need expertise from data aggregation/analytics vendor

Why is Patient Centric Claims Data Essential?

- Episodes must include all costs or you can't compare
- Patients may be attributed to you, but actually also get care from another
- If you can't see treatment data, you have no agency over interventions
- Examining cost variation in procedures needs apples-to-apples
- Ferreting out cost drivers – you won't know what you can't see

You can't support payment models without full information!

Think Big for your Payer Want List

- Claims data and not through their portals
- Shared analytics
- Funding support for the infrastructure you need, or an initial investment
- Out clauses
- Agreement on shared/separate patient communications
- Support for improvement programs

Wrap-Up



Image: Birmingham Museum Trust

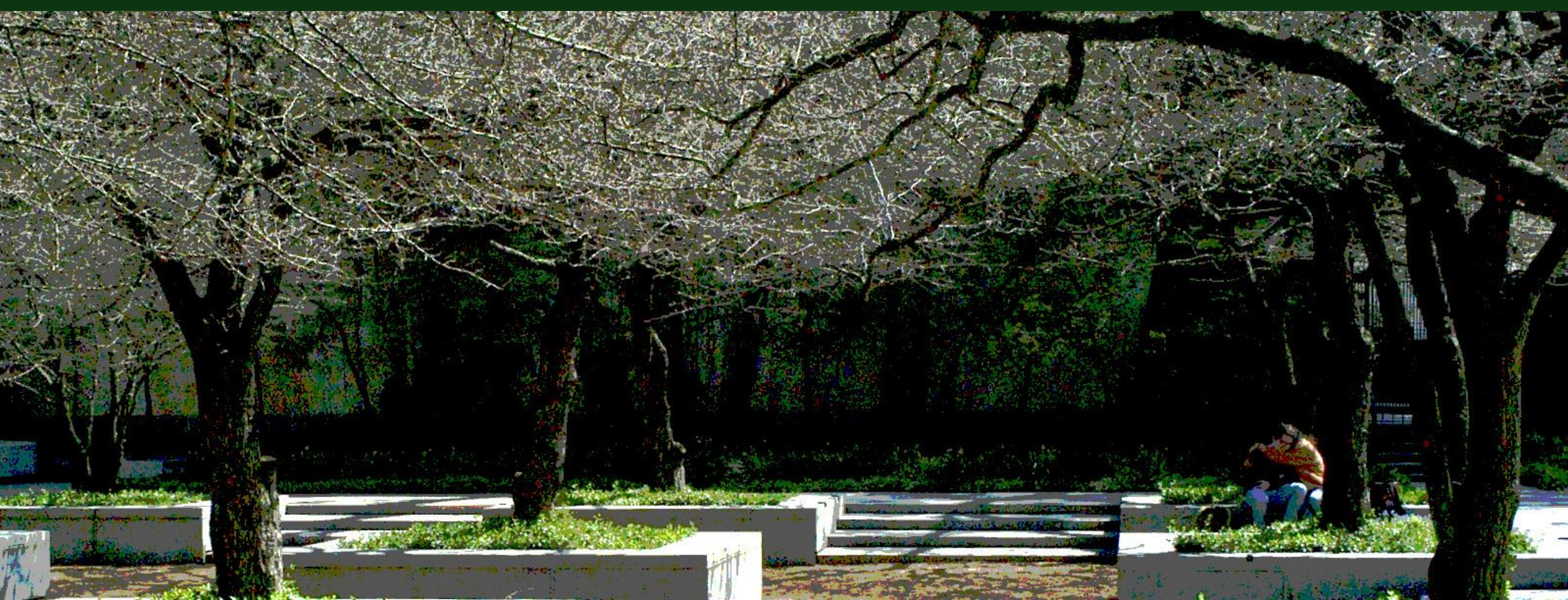
- Accept scarcity
- Calibrate your Risk Strategy
- Make TCoC reduction a goal you reach by improving patient status
- Adopt multi-payer strategy
- Choose payer partners wisely
- Get data and tech platform

Start Your Journey Here: <https://rojihealthintel.com>

- You can create growth within an environment of scarcity.
- A platform to manage Total Cost of Care.
- We customize the technology to your goals.
- Contact us to discuss options to manage cost of care.



Image by Daniel Tuttle on Unsplash



Questions and Answers

Stop by our ACO Exhibit Hall Virtual Booth



[Visit the Roji Health Intelligence Booth](#)





Thank You!

Roji Health Intelligence LLC

<https://rojihealthintel.com>

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