

How to Streamline Payer-Provider Contracting



As a healthcare payer, contracts are critical to your business. In addition to outlining the services you'll reimburse and their associated reimbursement rates, your contracts influence the provider experience.

When your contracting process is quick and frictionless, you can see greater provider satisfaction, which results in manifold benefits: you can capture more customers and support optimal pricing, thereby driving volume, margins and revenue.

For many payers, however, the reality of their current provider contract workflows is far different. Manual and disorganized contract processes slow down critical paperwork and introduce risk. What's more, valuable data that can be used to gain insights and maintain a competitive advantage remains untapped. These inefficiencies create pressure on your staff, resources and margins and strain provider relationships.

If your payer organization is struggling with these challenges, it's time to make provider contracting—one of the most important areas of your agreement workflows—more efficient. But it's important to do your due diligence and pick the solution that addresses all your needs, from ease of use to compliance to post-signing management.

In this ebook, we explore solutions that help payers lower costs, mitigate risk, accelerate revenue and provide an excellent provider experience. You'll also learn ways to expedite member enrollment and adapt to changing business models (e.g. value-based care), allowing your organization to thrive in an increasingly competitive landscape.



1 The payer-provider contracting process is due for improvement

Your contracts with providers specify key terms, severance and essential services and rates, making them the cornerstone for both your margins and long-term provider relationships. With so much to include, they're highly challenging to generate and maintain.

38.4 hours of work

are dedicated to the average contract. This drains employees' valuable time and introduces the potential for error.

The average organization spends:

- **Nearly 8 hours** searching and analyzing
- **45 minutes** locating a completed contract
- **84 minutes** finding a specific passage³

61%

of organizations are unable to search the full text of all agreements.

50%

lack visibility into the location and status of signed contracts.

This not only results in tediously combing through contracts but also potential legal jeopardy should essential contracts become permanently lost.⁴

These three characteristics alone put provider contracts in an especially unique agreement category:

High volume

A single network can include dozens of hospitals, clinics and practitioners. For each of these parties, you need an agreement specifying the terms of your partnership, requiring your team to contend with a high volume of complex contracts.

Complexity

Rates vary significantly according to the state in which the provider practices or operates and the services they offer. This requires an extreme level of customization and pain-staking adjustments for each agreement.

Frequent renegotiations

Services and networks undergo routine changes, like the addition of new providers and updates to credentialing. Every time a change occurs, provider contracts need to be revised and amended. Manual processes slow you down, preventing future network expansion and potentially alienating providers.

Emergency policies enacted during the pandemic, like those that incentivized Medicare and Medicaid coverage, are coming to an end. This will likely lead to shifts in payer mixes, requiring more frequent contract updates.¹

All of these elements complicate and lengthen the contract process. Let's take a look at the five-step workflow your team has to navigate when executing provider agreements:

Step	Action	Pain Point
Draft	First, your team either generates the initial contract draft on the provider's paper or ingests third-party paper. A draft typically begins with a standard contract template based on best practices.	Without a central, standardized template repository and clause library, you end up with suboptimal and inconsistent contract drafts, leading to needless rework and potential risk. Standards around your contract processes and content can mitigate this risk, while integrations with upstream systems like your CRM allow for easy data merging and error reduction.
Negotiate	You now need to negotiate the contract with the provider. Variable terms—like covered services, reimbursement rates and dispute resolution—have to be added into the contract.	The volume of new provider contracts can be overwhelming. Generating each of these manually is extremely time consuming, and failing to deliver a positive experience to providers can sour the relationship early on. While determining specific rates with each provider can be a lengthy process, ensuring that these negotiated rates are accurately reflected in the final contract (and managed with the same accuracy and effectiveness post-signature) is an even more time-consuming, error-prone process if done manually.
Sign	Once all terms and conditions in the contract are agreed upon, each party needs to sign.	Sending a document around for signature via email introduces risk into the contracting process. Without proper technology, you lack important layers of security and authentication (including an audit trail) for your contracts. Extremely negative consequences may follow should the contracts and signatures ever be challenged in a court of law.
Manage	After all parties sign the contract, you need to store it for future reference and revisions. Provider contracts aren't just set and done; they are fluid with a high number of amendments due to common changes in services, rates and regulatory requirements. Effective management allows you to track obligations such as services, rate schedules and intellectual property rights.	When contracts are stored in drives or email, there's a two-fold problem. First, contracts become prone to misplacement, introducing risk. Second, you give up visibility into contract terms, rates and other obligations that can materially affect your revenue. Without automation, tracking these obligations and terms across hundreds of contracts becomes incredibly time consuming and inefficient. A lack of integration with your ERP and other downstream systems can further delay your processes.
Credential	Finally, you need to ensure providers keep up with credentialing and maintain their licensing, certifications, malpractice insurance and more.	Some providers, like dentists, need to be re-credentialed every two to three years, requiring significant legwork from you to verify their documents and records.



2 Managing member enrollment and onboarding

In addition to your relationships with providers, your relationship with plan members is vitally important. In today's digital world, plan sponsors and members expect digital onboarding. If your workflows entail manually completed enrollment forms, that's insightful data lost and enormous time wasted for you and your members.

Digital contracting technology can cover a myriad of use cases for all stakeholders in the healthcare payer ecosystem. Importantly, it enables those who need medical care—members—to easily, conveniently and securely complete enrollment forms. Should they need to access information about their plan or your products and services in the future, they can quickly do so with digital contracts, whenever they need to and on any device they choose. With greater access and flexibility, members enjoy a better experience while you see new potential for revenue growth.

49%

of providers are increasing electronic connections with payers to adapt to challenges from 2021.

Cloud technology will play a central role in the future of healthcare, facilitating more data-sharing and collaboration between payers and providers.

This will ultimately lead to new insights and better decision making.

The benefits of digital contracting technology

Digital contracting technology helps you streamline the provider contracting process, as well as member management and broker-facilitated enrollments. If you're foraying into the world of managed care, agreements can make an even bigger difference in improving margins and efficiencies.

Digital transformation is happening all across the healthcare sector. A shift to digital contracting brings a host of advantages.

Here we dive into the seven key benefits of deploying a digital-first contracting solution:

Improve margins

You can further boost margins with contracting technology through AI and analytics, which identify hidden auto renewals and unrealized incentives in your provider contracts.

Mitigate risk

The more standardized your contracting process, the more you lower risk. When your contracting solution is equipped with AI, it can also analyze contract data to generate insights and optimize contract quality.

After digitizing and automating its workflows, a global biotech company saw 100% compliance with various laws and regulations.

Create a better customer experience

Providers want to work with payers who are easy to do business with. If you make their experience better through fast and user-friendly contracting technology, they're more predisposed to renew.

In 2022, 55 new insurers entered the market, creating the largest growth in market participation since 2015. This highlights the importance of differentiating yourself from the competition through exceptional provider service.⁷

Save time and resources

Contracting technology allows you to automate time-consuming manual work in the contract process, from contract generation to search and storage. It can also integrate with your current tools to further automate tasks, reducing errors and increasing efficiency.

After implementing contracting technology, a New York-based not-for-profit health plan saw a 50% reduction in time required to create and negotiate contracts.

Expedite time to revenue

Outdated contract processes slow down your signing process, delaying time to revenue and positive business outcomes. With contracting technology, you can speed up turnaround times and boost conversion rates for higher margins.

Organizations see 75% faster contract turnaround time with eSignature,⁸ and save \$36 per agreement compared to pen and paper signing methods.⁹

Readily adapt to changing business priorities and models

Healthcare is one of the most rapidly changing sectors in the US and your business model may evolve to include managed care, more mergers and acquisitions or other initiatives. An updated, streamlined contracting process provides the solid business foundation to successfully embrace change as it occurs.

Expand your network

Fully digital contracting processes help you come to terms with providers more efficiently. By doing business faster, you can take advantage of the growing demand for health network services to expand your network and attract new members.

Improve your payer agreement processes with DocuSign.

Whether your biggest challenges revolve around agreements with providers, plan members or both, an end-to-end platform that manages all your documents seamlessly and securely gives you the advantages to compete in today's healthcare arena.

DocuSign's CLM and AI technologies, combined with eSignature, can help.

Together, they allow for **fully digital contract management**, from generation to storage. Automate processes, gain better insight with AI, integrate with the tools your business already uses and more.

Learn more about [DocuSign solutions for healthcare](#).

After implementing DocuSign CLM, customers saved

\$4 million

in decreased contract turnaround time and contracting cost.

\$1.46 million

in reduced errors and contract value leakage.

\$572,000

in reduced risk exposure and improved compliance.*

*Forrester, "The Total Economic Impact of DocuSign CLM"

About DocuSign

DocuSign helps organizations connect and automate how they navigate their systems of agreement. As part of its industry-leading product lineup, DocuSign offers eSignature, the world's #1 way to sign electronically on practically any device, from almost anywhere, at any time. Today, over a million customers and more than a billion users in over 180 countries use the DocuSign platform to accelerate the process of doing business and simplify people's lives.

DocuSign, Inc.

221 Main Street, Suite 1550
San Francisco, CA 94105

[docusign.com](https://www.docusign.com)

For more information

Visit www.docusign.com
Call +1-877-720-2040

DocuSign®