HEALTH MANAGEMENT TheAcademy

Bootcamp 302 Cheat Sheet

Leading Health System Economics

302: How Providers Get Paid

You've watched the video—now here's your shortcut for turning insight into action. Use this guide to recall key takeaways, spark discussions, and frame solutions in a way that resonates with health system leaders.

Core Concepts

- **Most revenue comes from patient care**, and fee-for-service (FFS) remains the most common payment model.
- **Payment models shape priorities**: FFS, value-based, or capitated models each incentivize different behaviors—understand which dominates to gain insight into leaders' motivations.
- **Three levers shape reimbursement amount: Site of care, payer, and complexity:** The same service can generate very different revenue based on these factors.
- **Revenue cycle turns care into dollars**: From coding to claims, every step involves risk *and* a place where partners can add value.
- **Policy pressures margins**: Medicare sets the pace, and commercial payers follow. But rate increases lag behind cost growth, squeezing system budget.

Speak Their Language

Frame your pitch in the realities of how providers get paid:

- **Site of care matters:** Show how you can offset site of care revenue loss by boosting throughput, reducing no-shows, or supporting case mix.
- **Payer mix shapes margin**: Connect your solution to protecting margins, especially in markets with shifting payer mix.
- **Connect to revenue cycle pressure points:** Frame your value in terms of where dollars get stuck — coding accuracy, denial prevention, patient collections — and how you unblock them.

Discussion Guide

Deepen your learning and refine your value proposition by reflecting on these questions with your team:

- Which payment model dominates in the organizations we're engaging with, and how does that shape their priorities?
- How might our solution impact reimbursement differently depending on site, payer, or patient complexity?
- Where along the revenue cycle could our solution reduce risk, speed payment, or recover lost dollars?
- How do Medicare rate updates and commercial contracts impact the financial outlook of our partners?
- In what ways can we position our offering as a margin protector in an environment where cost growth outpaces payment updates?