Precision Risk Share Cooperative, LLC

State of the Risk Sharing Space

Of the 53 Direct Contracting Entities (DCE) that began operating in January, 43 of them failed to perform in the first three months. Why did this happen? The Centers for Medicare & Medicaid Services (CMS) for the most part awarded DCE contracts to bidders which were backed by private equity groups with little healthcare experience. The reserve accounts are significant and private equity groups were uniquely positions to capitalize on this. Only 10 of the 53 DCEs were proven to have solid health care management and their initial patient counts were between 18-26% of the total expected patients attributed. Why might you ask?

During COVID, patients didn't see their providers and may not appear in the census counts. The solution is patient alignment where the patient simply clicks on a box, is added to the count and to your monthly capitation payment. BTW, the company that managed the only 10 successful DCEs is now PVMB's manager and has been hired to straighten out our former DCE.

Now let's talk about where the market is going and the role PVBM and YOU will play going forward. We get tons of questions about DCEs and ACO REACH, etc., so here is a different way to look at it. ALL risk share models including Medicare Advantage, DCE, ACO, ACO REACH etc., have similar features and rules as far as a global capitation. You get X dollars to care for your patient and your care strategy depends on the organization you're in. The payer doesn't care what that strategy is, or the organizational type if you get the results. In our Precision Risk Share Cooperative (PRSC), no matter what type of entity we engage with, we are able to pick the one most beneficial for our partners.

On the risk sharing side, the more complex the patient the higher the reimbursement. Providers leave millions of dollars on the table by missing these Key Performance Indicators (KPI) which are automatically picked up by our technology. These required fee for service encounters drive these metrics. Even if providers performed Annual Wellness Visits (AWVs) on 100% of their patients they would still fail the CMS Standard of Care (SOC) by not acting on medical necessities found within those results. Providers cannot drive risk share revenue without these drivers. To begin, PVBM simply shows the provider or provider group exactly how CMS views their practice. Hint – it's usually quite a surprise as far as compliance.

PRSC targets every required point from identifying medical necessity, care coordination, remote delivery of services, and this assures a lift in the risk sharing revenue. PRSC also has exclusive options that others do not have. PRSC can park our Series LLC provider partners in a Medicare Advantage program (even if the patients aren't Medicare Advantage patients), DCEs, ACOs, ACO REACH, etc. We are managing these patient populations under our own rules under the umbrella of each entity. We basically pick the program that will maximize each partner's benefits and are not limited or constrained by any one set of rules or organization type.

Did you know that Medicare Advantage programs pay far more than DCEs and ACOs? We have that option available. Did you know that we provide Provider Compliance Rewards that will go directly back to the bottom line of the risk share earnings? You can only receive these Provider Compliance Rewards in an ownership model with PRSC, hence our Series LLC for each entity.

You can choose full risk, half risk or zero risk while still receiving $30 per Qualified Traditional Medicare Beneficiary per Month (PMPM) in a capitation bonus and 100% of the Medicare Fee for Service (MFFS) schedule. We're simply picking the best combination of services and rewards for each of our partners. In your own entity, we stand together, and you're not being dragged down by lack of performance by providers outside of your group.

We find it shocking that ALL risk share programs have the same ability to pay a capitation payment (while most do not), 100% of the MFFS (most do not) AND have a great risk sharing distribution (most have none), and don't because they fail to perform. So even by not paying you a cap, nor allowing you to receive 100% of the MFFS, they still have no money left for a distribution. This is ludicrous!

Long story short, PRSC options have DCEs, ACO REACH, ACOs and a Medicare Advantage plans that we are partnering with. We're free to run our program under their umbrella, however we like. In return these entities combined have over 1,000,000 patients who need PVBM's other services. This is a big win for healthcare, providers, and patients.

How do We Win Together?

Whether you are a hospital, DCE, ACO, ACO REACH, MSSP, or physician group, there are great benefits to joining our Precision Risk Share Cooperative as your own Series LLC entity. Before we describe the share classes, please know that all classes A, B and C also include a $30 pmpm capitation bonus for traditional Medicare patients and 100% of the Medicare Fee for Service Schedule. You also qualify for our Provider Compliance Rewards that go directly to the bottom line of your entity thus increasing profitability. The share classes are the following.

1. Class A Shares – Full Risk Model
2. Class B Shares – Half Risk Model
3. Class C Shares – No Risk Model
4. Class I Shares – Independent Providers can be grouped with others to form Classes IA, IB and IC shares. This way nobody is left out.
5. Class P Shares – An entire ACO or other MSSP can come under our umbrella while retaining their ownership and management yet tap into our cafeteria of services such as patient engagement, staffing and of course share in the Provider Compliance Rewards which have tremendous financial value.

Signing an Application for Letter of Intent to participate with us in 2022 provides the edge you need to begin increasing your revenue and compliance for all services (including quarterly Provider Compliance Rewards) for the rest of 2022, and begin receiving monthly capitation payments starting in 2023.