Ohio Hospital Group
April 29, 2025

Reimbursement Rate Optimization Strategy

Unlocking $4.2M Revenue Opportunity

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Contents

EXECUTIVE SUMMARY

Significant Revenue Uplift Identified Across Service Lines

69%

Orthopedics outperforms market by 69% with Aetna; Cardiology and Pediatrics show significant payer gaps.

Prioritized actions: target Medical Mutual and Cigna, focus on high-volume services.

4.2M

Addressing underperforming contracts could generate $4.2M in new annual revenue.

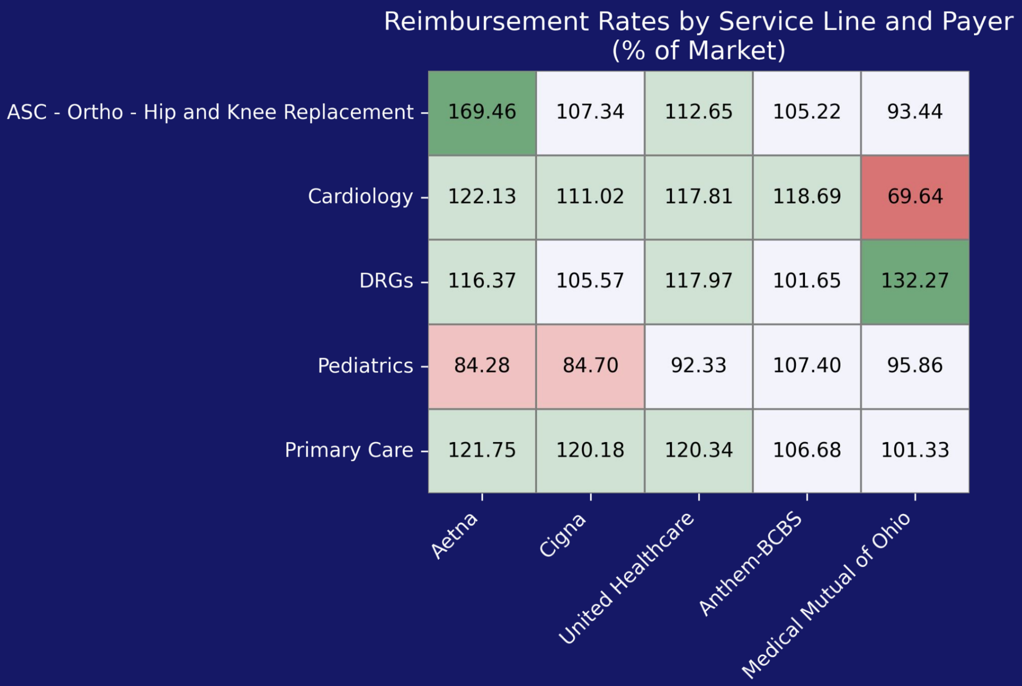
MARKET POSITION SNAPSHOT

Strong Orthopedic Performance; Key Gaps in Cardiology and Pediatrics

72% of payer-service combos exceed market average.

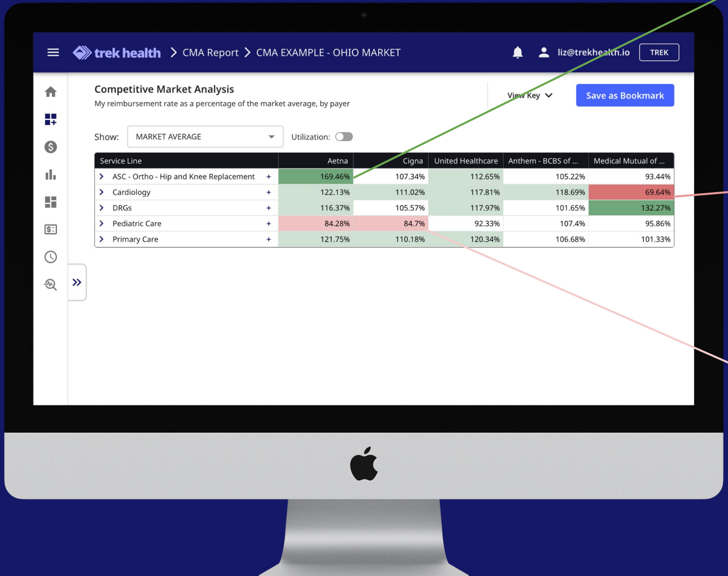
Aetna is the top performer; Medical Mutual lags in Cardiology.

Largest revenue potential lies in closing underperforming service line gaps.



SERVICE LINE HEATMAP

Reimbursement Rates vs. Market by Payer and Service Line



Service Line		Aetna	Cigna	United Healthcare	Anthem - BCBS of ...	Medical Mutual of ...
ASC - Ortho - Hip and Knee Replacement	+	169.46%	107.34%	112.65%	105.22%	93.44%
Cardiology	+	122.13%	111.02%	117.81%	118.69%	69.64%
DRGs	+	116.37%	105.57%	117.97%	101.65%	132.27%
Pediatric Care	+	84.28%	84.7%	92.33%	107.4%	95.86%
Primary Care	+	121.75%	110.18%	120.34%	106.68%	101.33%

Orthopedics with Aetna: 169% of market (best-in-class).

169.46%

Cardiology with Medical Mutual: 70% of market (largest gap).

69.64%

Pediatrics with Aetna and Cigna: ~84% of market (consistent underperformance).

84.28% | 84.7%

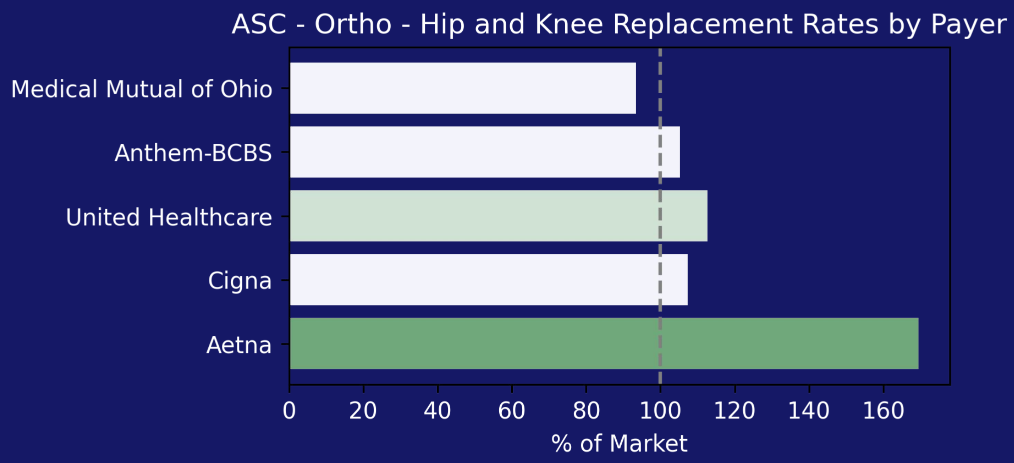
ORTHOPEDICS BEST-IN-CLASS PERFORMANCE

Aetna Orthopedics Rate Sets Market Benchmark

Aetna: $2,746 per procedure (169% of market); Medical Mutual: $2,057 (93%).

Replicating Aetna’s rate with Medical Mutual = $47K annual gain.

Use Aetna contract as a negotiation template.



CARDIOLOGY & PEDIATRICS KEY OPPORTUNITIES

Cardiology and Pediatrics Present Largest Revenue Gaps

Cardiology with Medical Mutual: $1,427 per procedure below market; $397K annual opportunity.

Pediatrics underperforms across all payers; focus on Cigna and Aetna for fastest uplift.

High volume + low rate = top negotiation priorities.

PRIORITIZATION MATRIX

Focus on High-Impact, High-Volume Service Lines

“Quick Wins”: High volume, low rate (e.g., Pediatrics with Cigna).

“Strategic Focus”: Orthopedics with Medical Mutual.

Prioritize actions by both financial impact and ease of implementation.

MEDICAL MUTUAL TARGETED ACTION

Medical Mutual Cardiology Gap: $397K Annual Opportunity

Medical Mutual strong in DRGs, weak in Cardiology.

Closing Cardiology gap alone yields nearly $400K/year.

Negotiate using DRG strength as leverage.

REGIONAL & COMPETITIVE INSIGHTS

Suburban Sites Outperform Urban; Competitor Rates Lag

Suburban facilities command 7–12% higher rates.

Your orthopedic rates are 17.6% above market; top competitor is only 4.2% above.

Regional rate differences present further negotiation leverage.

NEGOTIATION ROADMAP

Four-Phase Plan to Capture Revenue Uplift

Immediate focus: Medical Mutual and Cigna contracts.

Build negotiation packages using best-in-class benchmarks.

Implement quarterly dashboard to monitor progress.

FINANCIAL IMPACT SCENARIOS

Unlock $1–3M in Additional Annual Revenue

Current premium: $7.3M/year; additional opportunity: $4.2M.

Conservative scenario: $1M; aggressive: $3M+.

Implementation ROI: 10–24x.

NEXT STEPS & ACTION PLAN

Immediate Actions to Realize Value

Immediate Actions to Realize Value

Complete pediatric service line analysis (May).

Develop and deploy contract performance dashboard (June).

Target: $2.1M revenue uplift in first 12 months.