

■ CASE STUDY

Improving contract fairness with data: how a Midwest health system leveraged clarify for smarter negotiations

Overview

A large Midwest health system, committed to delivering high-quality, accessible care across its communities, entered contract negotiations with a national payer to support the long-term sustainability of its home health services. Although the Managed Care team believed the proposed rates were not reflective of the broader market, they lacked the external validation needed to advocate for more equitable reimbursement. To bring greater transparency and fairness to the process, the health system partnered with Clarify Health. Leveraging Clarify's Rates IQ solution—built on comprehensive, code-level price transparency data—the team uncovered meaningful rate disparities among peer organizations. Armed with these insights, they negotiated a new agreement that increased reimbursement by 26%, helping to secure the resources necessary to continue providing vital home-based care to the patients who need it most.

"The Clarify data helps identify contract opportunities and support in payor negotiations. Without the detailed Clarify data, we would never have known our contract opportunity potential to focus on in negotiations."

VICE PRESIDENT , MANAGED CARE

The benefit is now you know what negotiated rates other systems have with that payer too. Are you in the mix, trailing or leading? Once you understand this, you can focus on negotiating appropriate escalators to ensure fair market-based reimbursement

Highlights

SUSTAINED ACCESS TO HIGH QUALITY CARE



Fairer rates helped protect home health services, ensuring continued access for patients across the community.

STRONGER NEGOTIATING LEVERAGE



Clarify's market-rate data empowered the health system to validate payer disparities and negotiate a 26% higher reimbursement.

■ CHALLENGE

Gaining leverage in contract negotiations with national payer

As the health system prepared to renegotiate its home health contract with a national payer, the Managed Care team faced a familiar, but increasingly untenable obstacle: negotiating without clear visibility into how their reimbursement rates compared to others in the market. When the payer presented a “best and final” offer, the team suspected the rates were below market value but lacked the concrete data to prove it. They needed direct, digestible, and actionable insights into negotiated reimbursement rates across the region to validate their position and advocate for fairer terms. Without a robust, external benchmark, they risked entering negotiations at a disadvantage.

■ SOLUTION

On-demand price transparency insights from MRFs

To level the playing field in contract negotiations, the health system partnered with Clarify Health to access trusted, high-quality insights through its Rates IQ solution. Drawing from payer- and provider-posted price transparency data, Clarify delivered a clear, code-level view of how the national payer reimbursed five peer health systems for comparable home health services. These targeted insights enabled the Managed Care team to benchmark rates across the market, uncover meaningful disparities, and identify where their organization was being undervalued. With a transparent and data-backed understanding of the competitive landscape, the team was empowered to advocate more effectively for fair reimbursement, ensuring more sustainable care delivery for their patients and community.

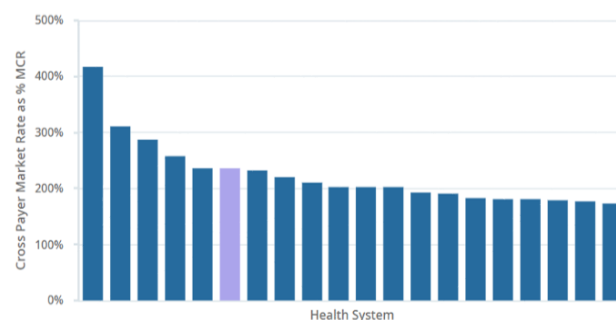
■ RESULTS

Negotiating clarity for community impact

With Clarify’s price transparency analytics, the Managed Care team gained a clear, data-backed view of how their contracted rates compared to local competitors. By surfacing evidence that the payer reimbursed other health systems at significantly higher rates, the team was able to challenge the initial proposal with confidence. This market intelligence proved pivotal in negotiations, resulting in a **26% increase** over the payer’s original “best and final” offer. Clarify’s insights not only accelerated the negotiation process but also delivered substantial financial value for the health system.

RATES IQ SOFTWARE SNAPSHOT

Market Rate Distribution by Health System



About Clarify Health

Clarify unlocks the hidden value in healthcare data. Trusted by providers, payers, tech and services, and life sciences companies, Clarify uses the power of data and AI-powered predictive analytics to make complex decisions easier. The Clarify Atlas Platform® is the foundation, leveraging the industry’s largest and most robust dataset to map more than 300 million lives and 20 billion data points to surface actionable insights with unparalleled speed and actionability.