

Market Economics Internship at Navvis Healthcare

APPLIED HEALTH ECONOMICS



Cavan Helmering

Field Work Supervisor: Dan Bateman

Faculty Advisor: June Kim

Disclaimer: The opinions and positions expressed are my own and don't necessarily reflect those of Navvis.



Consistent Projects/ Responsibilities

- Transferring files (reports, slide decks, and agreements) from client site to Navvis Sharepoint
- Updating quality metrics per 2024 agreements in a quality inventory
- Performing quality assurance review on deliverables
- Attending team meetings, working sessions and meetings to work on and discuss ad hoc deliverables, and bi-weekly meetings with Navvis supervisor



Key Projects

- Drafted the creation of impact scenarios for financial modeling
- Updating Medical Loss Ratio (MLR) trends for Medicare Advantage contracts in monthly scorecards
- Discerned contracts with payers (i.e. insurance companies) to help inform financial model for providers (i.e. hospitals, doctors, etc.)
- Reviewed contractual terms for quality incentive programs and summarized potential yield from different performance scenarios
- Built out formulas in a scorecard summary so it will be refreshed automatically month to month



Challenges

- Learning new Excel formulas (i.e. TEXT, CEILING, FLOOR, and lookups) and deciding which would best fit certain situations
- Scheduling meetings during workday with classes
- Learning curve with some vocabulary (i.e. capitation, HCC risk coding, allowed versus paid) and agreement language
- Finding metrics and and reporting from past years
- Staying up to date on projects if unable to attend overview meetings due to class or other academic commitments



Learning Goals

- Wanted to understand payment models and how they vary
 - Worked on some cost analysis and learned about quality payment detail
- See how learnings from Health Economics (ECON B217) tie into the real world
 - Reviewed a report that compared payment received under value-based care structure and the payment that would have been received under fee-for-service

Example of Quality Impact on Shared Savings/ Shared Risk

Year	MLR Goal	Provider Share of Surplus	Provider Share of Deficit
2021	83%	50%	10%
2022	84%	55%	15%
2023	85%	60%	30%

For 2021, the Provider's share of surplus or deficit is dependent on their Star Rating.

Average Star Rating	Provider % Share of Surplus	Provider % Share of Deficit
≥ 4.75	130%	80%
4 - 4.74	110%	90%
3.5 - 3.99	90%	105%
≤ 3.49	0%	120%

Key Takeaways

- Learning about different contract types and how their goals and contract structures vary
- How to outline key financials and understand how to project forward costs, payment received, and membership growth
- Learning about the current structure of healthcare and how it can be improved through changing payment methods
- General learnings about healthcare terms and principles

Full Risk

Shared Savings/
Shared Risk

Quality Incentives
and Other
Incentives

Care-
Coordination
and Advanced
Payments

Fee-for-Service

CONTRACT
TYPES