

Integrating the Economic Value Proposition into the Sales Cycle: The Value of the Field-Based Reimbursement Specialist

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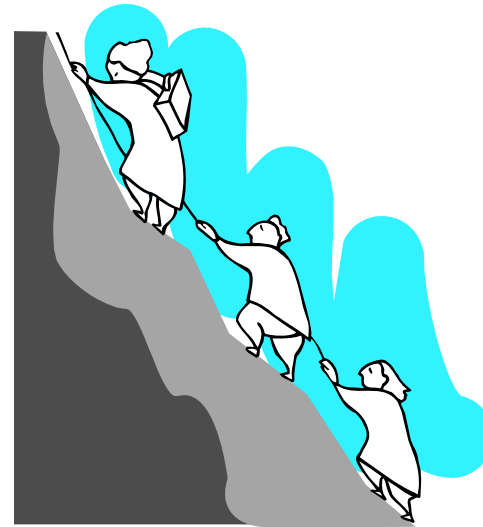
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The Reimbursement Value Proposition

in a sales environment

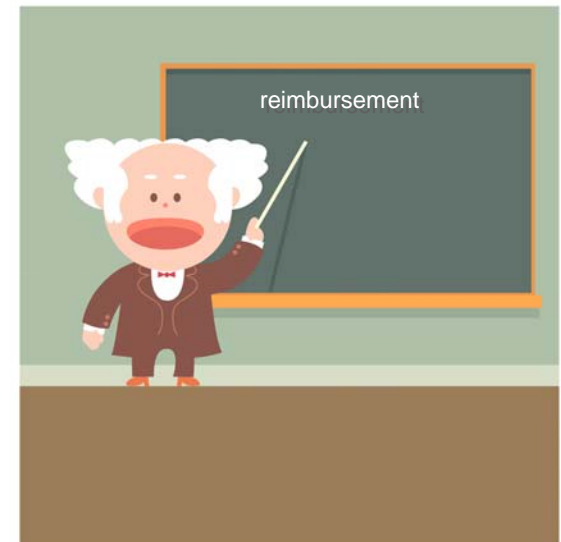
- Reimbursement is a constant challenge for all stakeholders in today's cost-conscious healthcare environment.
 - ▶ Internal Company
 - ▶ Payers
 - ▶ Hospitals
 - ▶ Physicians
 - ▶ Patients
 - ▶ Influencers



The Reimbursement Value Proposition

in a sales environment

- By empowering your customers with knowledge relative to the reimbursement landscape of your product, you will prove to be a valuable resource.



The Reimbursement Value Proposition

in a sales environment

- Overcoming reimbursement obstacles will shorten the sales cycle, drive the business, and make a positive impact on your company's bottom line.



Why are Field Reimbursement Specialists Critical to the Sales Cycle?

- Term rarely used in device sales until the early to mid nineties.
- Rising healthcare costs (direct and indirect) began to cut into hospital profit centers and they started to respond.
- Providers must be economically accountable for devices and procedures.
- Companies must understand, and be able to communicate the economic value proposition of their products in the same manner as they do clinical benefits in order to close business.
- Ultimately, at some point in a product's life cycle, it will be impacted by reimbursement.



Your Role

- To strategically impact business by removing reimbursement obstacles at all stakeholder levels.



Ask Anyone.....



Reimbursement is a key driver in
medical sales!

- Validated by the demand from
companies to create and fill this
position.



Quote From a Hospital Reimbursement Director

“I believe that quality always pays in the long run. However, reimbursement is what matters. I do not care how much more I can charge, or how much time will be saved, or how many supplies will not be used, what matters is reimbursement.

If reimbursement is not favorable (coverage, codes, payment), unfortunately there is either no sale, or the sale gets postponed until the problem is addressed and rectified.”



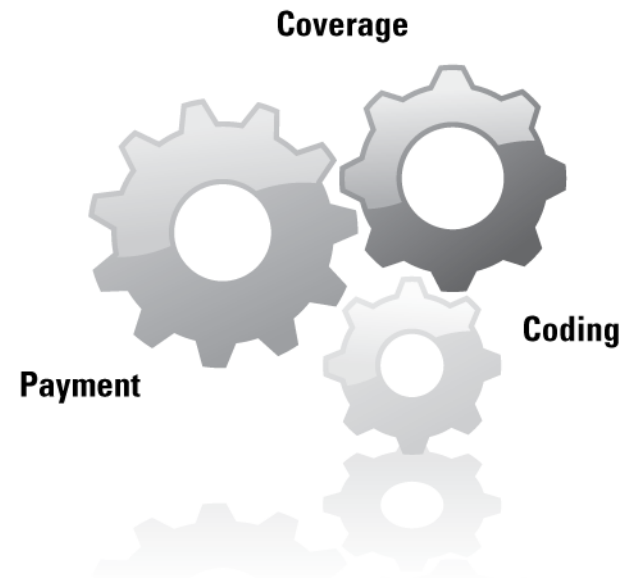
Real World Is.....

- The customer has changed.
- The buying process in healthcare has changed.
- Companies have to respond to this changing environment and adopt new sales processes.
- Companies are trying to determine “how” to introduce reimbursement into the business acumen of sales and marketing.



Key Drivers of Reimbursement

- Companies today understand all drivers need to be identified, defined, and incorporated into a deliverable strategy.
- What remains challenging is establishing the process to communicate the details to the customer.



Determine Roles and Responsibilities

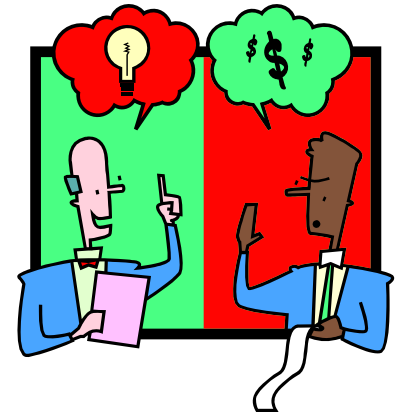
- Where does field reimbursement report?
- Who is responsible for which activities and to what extent?
 - ▶ Strategic Reimbursement
 - ▶ Field Reimbursement
 - ▶ Sales Management
 - ▶ Sales Representatives
- Determine early and clearly communicate.



The First Step....

- Understand your customers and what is important to them and their business.
- Determine how your product impacts your external customers:

- ▶ Facility
- ▶ Physician
- ▶ Patient
- ▶ Payer
- ▶ Other influencers (societies, advocacy groups, government, employers, etc.)



- Develop the Economic Message to support your Value Proposition early!



Knowledge to Begin

- KNOW THE RULES!
- Know your cost
 - ▶ Patient bills
 - ▶ MedPAR (payer data)
 - ▶ Cost study
- What is the economic advantage of your product? (LOS, reduce follow-up visits, replacing supplies, future procedures, etc.)
- Understand your codes and payment schedules.
- What are the limitations of coverage?
- How do you compare against the “standard of care”.
- How much published data is available?
- Remember-The Economic Message will vary by stakeholder.



Your Payer Customer

Using *Comparative Effectiveness* to Impact Sales

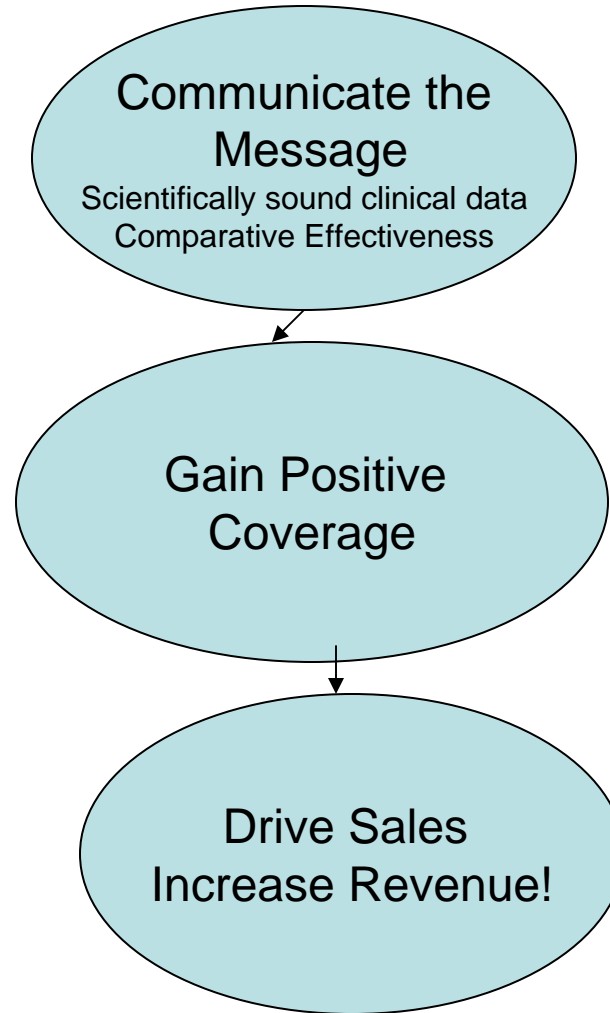


The Payer Customer

- Create your message incorporating ‘Comparative Effectiveness’ to positively position your product with the payer.
- Payers needs are changing!



Impacting Revenue at the Payer Level



Your Internal Customers

Sales and Marketing

- You **MUST** have buy-in and support of senior management at the onset.
 - ▶ May be your biggest obstacle
 - ▶ Remember...broaden the business acumen
 - ▶ Escalate company value in the eyes of the customer
- Integrate with Sales and Marketing to create the Economic Message.
- The goal is to incorporate the Economic Value Proposition into the sales cycle.
 - ▶ Internal training
 - ▶ Customer tools



Support Your Sellers

- Create training programs that focus on the essentials.
 - ▶ Healthcare providers rely on industry to keep them informed
 - ▶ Sellers need to understand the current reimbursement landscape of the product/procedure
 - ▶ Uninformed sellers may provide incorrect information
- Incorporating the economic message with the clinical sell early on will reduce the length of time to obtain the business.



Your Provider Customers

- The economic message will vary by provider type.
 - ▶ understand how each individual provider's business operates
- Create tools to assist them in understanding how their business is impacted by your product
 - ▶ analysis to assist them in determining their cost, payment and ROI
 - ▶ billing guides
 - ▶ call support
- Communicate any changes impacting your product and their business immediately.
- Create and deliver programs in support of accreditation
 - ▶ CMSA
 - ▶ AORN
- Spend time in front of customers-you will learn as much from them as they will from you.



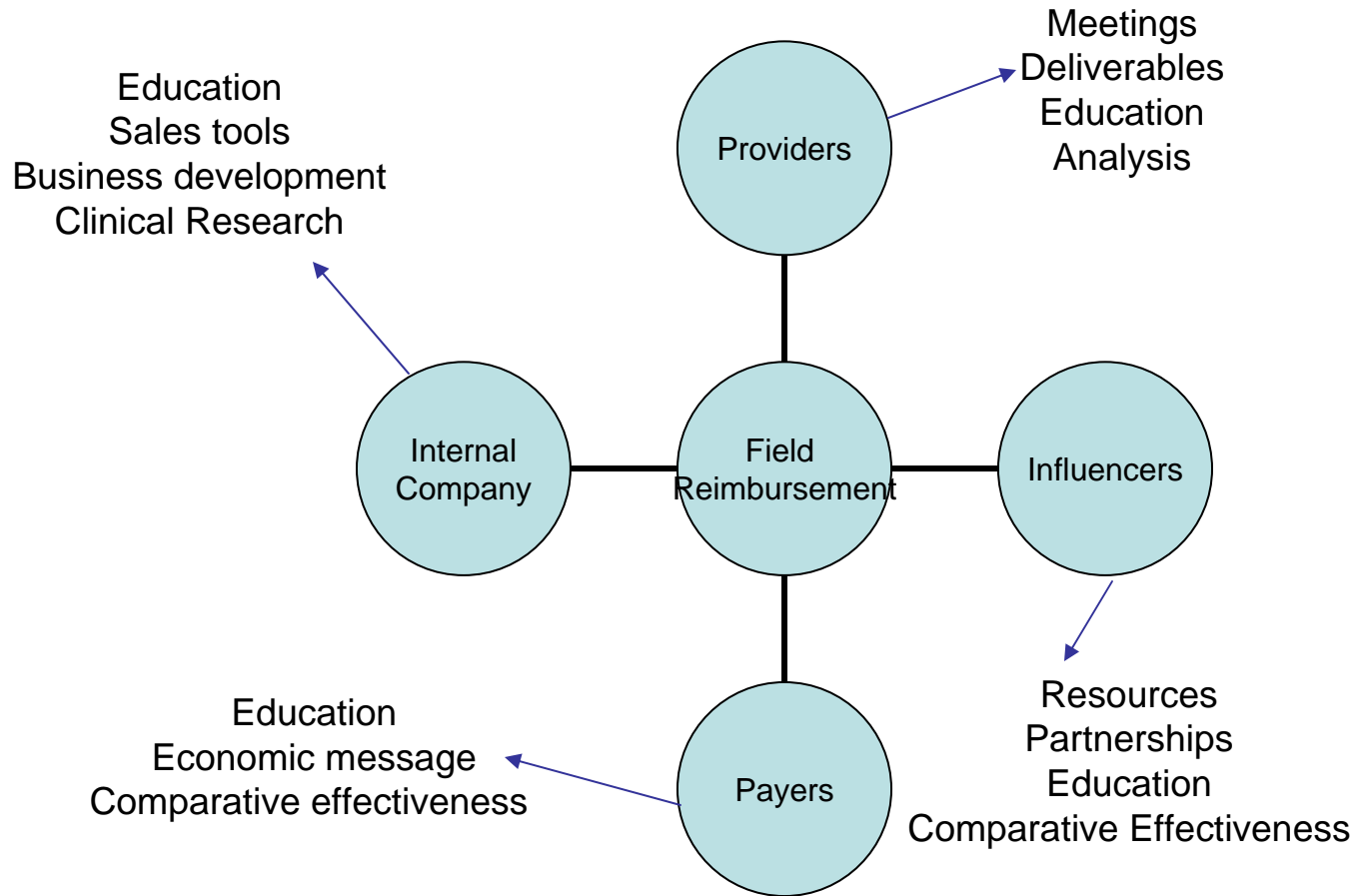
Sometimes the Customer wants a Reimbursement Expert

- “sometimes an aggressive sales rep will give you improper reimbursement information intentionally, to sell his product. More often, sales reps who give you the wrong information do so because they aren’t experienced in coding. Most manufacturers don’t have coders or reimbursement experts on their staff who are familiar with CPT or ICD-9.....”

Ambulatory Surgery Compliance and Insider April 2002



How You Can Impact the Bottom Line Revenue of Your Company



In Conclusion...



- Integrating Reimbursement into sales and marketing early will have a positive impact on your company's bottom line.

Good Luck!



Thank You

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