



## **Provider Network Development**

***Why is it important and how to ensure proper coverage for beneficiaries?***

### **Provider network development, contracting, and credentialing - OH MY!**

For health plans, the task associated with the development of an adequate and sustainable provider network is key to their success; however, they are often overlooked and understaffed responsibilities that get forgotten or pushed out to just prior to the start of healthcare delivery. While this is **OK**, the potential implications and risks of waiting can be costly.

Building a provider network for new or expansive healthcare delivery can be more successful by planning far in advance and having a strategy in place for all tasks associated - optimally, 9-12 months. For example, knowledge of the current provider landscape, utilization data, and potential penetration rates will be critical to any market analysis and guide health plans to what provider types and the number of providers needed for successful patient access to care.

As most health plans have requirements for access to care and provider network adequacy as a part of their contract with State, Federal, or employer agencies, they are obligated to offer a provider network that meets the needs of the enrollee population being served. By having a blueprint in advance with timelines and milestones, health plans will have better success meeting contractual and regulatory policies when it comes to provider network development.

So how does a health plan conduct a market analysis and blueprint that considers all the elements required for success? To start, review the availability of providers to include independent providers, hospitals, health systems, FQHCs, RHCs, and ancillary providers in the



area. Also review what is required in your contract for network adequacy and the potential beneficiaries you will cover as a part of your plan and what their healthcare needs are. Some of this information can be gained by reviewing other payor websites, provider directories, or looking for providers who are enrolled in Medicaid or Medicare in the area and is public information.

As a part of planning, develop your provider agreements (contracts), create your provider manual, and develop the benefit plan as they are critical to the development of the network. While you can start recruiting providers without those elements, providers are far more likely to sign quickly when this information is available upfront. Providers want to know what they are getting paid for their services, and what they are responsible for as a part of participating in the network. Remember, providers tend to take their time in responding to requests for contracting and you are most likely not the only plan approaching them with a contract.

Once you have your recruitment list, your provider agreement, and the outline of the health plan benefits and provider responsibilities, it's time begin recruitment. For recruiters, they will also require some additional information and market intelligence to answer as many immediate questions as they can regarding the plan and benefits. Training and education on the benefits and provider responsibilities will also be a critical component to sending recruiters in the field to gain provider participation. Again, there is never enough time to complete a provider network build, so planning for an optimal amount of time and realizing that things happen as a normal part of the process. Think COVID-19! In addition, once providers are contracted and have returned their signed agreement and needed documents for credentialing the process continues with credentialing and time must be allowed for those processes to take place.

Overall, provider network development for new and expanding markets takes time and effort to ensure adequate coverage for enrollees. Having a blueprint in place and ensuring the allotted time is sufficient for provider response is key to achieving a network that satisfies the needs of the health plan and patient access to care.