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How a Behavioral Health Provider Secured Rate Increases across Three Payers Including Up to 100% on Select Rates

100%	81%	45.5%	3	6
PHP rate increase Cigna	PHP rate increase Aetna Better Health	IOP rate increase Cigna	Payers successfully renegotiated	Rates renegotiated across IOP & PHP

Company Brief

A specialty behavioral health provider operating Intensive Outpatient (IOP) and Partial Hospitalization (PHP) programs focused on eating disorder treatment in a single regional U.S. market. The provider manages a 13-payer portfolio mixing commercial and Medicaid plans, with 62% of payers running on Single Case Agreements (SCAs) — creating administrative burden and rate instability at every admission.

The Challenge

Leadership knew their rates were below market — but without objective data, had no defensible way to prioritize payers, set targets, or hold their position under pushback.e data, had no defensible way to prioritize payers, set targets, or hold their position under pushback.

- **Rates below market — and the gap was structural.** IOP rates ranged from $400 to $600 and PHP rates from $815 to $1,200 across the payer portfolio for identical CPT/HCPCS codes. The pattern was consistent: contracted payers sat at the top of the range; SCAs clustered at the floor. Converting SCAs to contracts was not just an administrative improvement — it was the fastest path to rate parity.
- **No market benchmark.** Every prior rate conversation stalled at the first payer objection — no third-party data to back the ask.
- **SCA dependence.** 62% of the payer book on SCAs: no protected rates, no multi-year terms, higher admin overhead on every admission.

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The Engagement

Neolytix ran a two-phase engagement — a structured feasibility study to surface and prioritize the revenue opportunity, followed by active contract negotiation.

Phase 1 — Feasibility Study

The foundation of every Neolytix feasibility study is access to federal Transparency in Coverage (TiC) data — a capability that fundamentally changes what is possible at the negotiation table. Under federal law, commercial payers are required to publish their actual negotiated rates for every provider, by procedure code, by geography. Most providers do not know this data exists. Neolytix does — and builds every engagement around it.

What Transparency in Coverage Data Delivered for the Client:

- Revealed exactly what Aetna, Cigna, United and other payers were paying competing IOP/PHP providers in the state — by CPT code, by county, and statewide
- Ranked every current contracted rate against the state market — identifying rates sitting well below the 25th–68th percentile depending on payer
- Named the gap precisely — with competitor benchmarking showing other behavioral health providers receiving materially higher rates for identical services
- Set defensible target rates — not aspirational asks, but rates the market data confirmed other providers were already being paid

Beyond rate benchmarking, Neolytix scored every payer on four dimensions — claim volume, rate gap to market, denial and authorization behavior, and SCA-to-contract conversion readiness — delivering a prioritized negotiation roadmap with revenue forecasts attached to each target payer.

Phase 2 — Contract Negotiation

- Engaged Aetna Commercial, Aetna Better Health, and Cigna sequentially per the roadmap
- Presented rate gap analysis and market percentile positioning — showing exactly where each payer's current rates fell relative to the state market, with named competitor benchmarking
- Built the clinical and economic case — emphasizing cost efficiency of IOP/PHP versus higher levels of care, strong completion rates, and value of reduced inpatient readmissions for payers
- Negotiated multi-year terms with annual escalators embedded in renegotiated contracts to protect rate gains over time

Payer	IOP (S9480) Rate Lift	PHP (H0035) Rate Lift
Aetna Commercial	11.20%	11.10%
Aetna Better Health	32.60%	80.80%
Cigna	45.50%	100%

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The largest gains came exactly where the feasibility study predicted — Aetna Better Health and Cigna, the payers where Transparency in Coverage data confirmed the widest gap between current rates and the state market. Cigna's PHP rate doubled. Aetna Better Health's PHP rate increased by more than 80%. These were not concessions won through persistence — they were the rates the market data showed other providers in the state were already being paid.

About Neolytix

Neolytix is a healthcare revenue cycle management partner with 14+ years of experience serving 270+ healthcare organizations nationwide — combining full-stack RCM with payer rate negotiation, credentialing, provider enrollment, and operational consulting. The firm works directly with all major commercial payers including UnitedHealthcare, Anthem, Blue Cross Blue Shield, Aetna, Cigna, and Humana.

Contract negotiation engagements are built on federal Transparency in Coverage data — giving providers payer-specific market intelligence that most practices never access, backed by CPT-level benchmarking and peer rate comparisons.

Feasibility studies are flat-fee. Contract negotiation support is success-based — fees apply only when rates improve and contracts are signed.



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