

## Negotiation/ Renegotiation Letter Checklist

Writing a negotiation letter can be a challenging process if you are not accustomed to writing one. Starting a negotiation/renegotiation through a letter can be less intimidating for everyone involved. Draft your letter with care; once you put forth a specific rate and argument for your request, it can be difficult to modify the rate or redefine your request. To succeed, you must remain strong and confident.

The checklist (below) are components to consider as you move forward in preparing your letter. We are confident that this information will help you through this process and will ensure consistency and completeness in carrying out this task.

- **Write a business letter**
  - Be professional
  - Use a proper salutation, such as, “Dear Mr. Rose,” rather than a first name
  - Avoid informal content and stick to the matter at hand
- **Paint a picture of your practice**
  - How many providers in practice
  - Number of locations
  - Where do you provide services (i.e. Rural, Metro, Regionally, State-Wide, etc.)
  - Outline services your practice provides, include Infusion or other ancillary services, etc.
- **Briefly highlight each provider in practice**
  - Medical School
  - Training
  - Board Certification
- **Describe what makes your practice “special”**
  - Advantage of a Physician-Owned Independent Practice
  - In-office infusion vs. Hospital based
  - Lab
  - Radiology

- **Describe why your practice has value**
  - Quality measures
  - Focuses on comprehensive and compassionate care to patients
  - Use of the latest diagnostic testing, treatment, and techniques
  - Cost-saving data
  - Utilization data
  - Comparison of your practice to that of a hospital-based practice
  - Why are your providers the "best"?
  
- **LOYALTY - Remind the payer how long you have been contracted with them.**
  - *For example: We have been contracted with ABC for 15 years and have never asked for an increase in reimbursement.*
  
- **Define your rate objectives**
  - State your desired rate
  - Make sure you specify the rate in terms which you understand, % of RBRVS. For example: We request a new agreement from ABC with the fee schedule/ reimbursement of 1000% of the current Medicare Resource Based Relative Value Scale (RBRVS) which is GPCI Adjusted, for all commercial lines, and 1100% of current year Medicare for Medicare Advantage.
  - Define your Labs and/or Radiology services rates
  - Outline your fair cost and identify your reimbursement for Jcodes, HCPCS or other non-fee schedule services. (i.e.: % of ASP, % of billed charge, etc.)
  - Define a default rate – a rate you would like to be paid for services not covered under the fee schedule. (i.e. Any services not included in the above should be paid at 1000% of billed charges.)
  
- **Close the letter by thanking the recipient for their time**
  
- **Give your timeline for a reply**
  
- **Use a professional closing, such as “Sincerely,” followed by your name**
  - It is recommended the Practice Manager and all the Physicians at the practice sign the letter.