

SOPA SOLUTIONS (Standard Off-Par Approach to cost accounting) is a new revolutionary technology that can answer all the why's and direct a facility to solutions because it is designed to give management real time financial information daily.

Medicaid reimbursement has changed with the 2002 rebasing pricing system implemented in early 2009 featuring the new Medicaid-only and scale-back provisions.

This new methodology will change again with the implementation to a statewide pricing system either October 1, 2011 or January 1, 2012. Does your management team understand the why's behind all these changes and how they will impact your facility? . . . are you prepared to tackle these changes using the formula's of old or are you looking to change your thinking to create positive results with change?

Nursing homes that currently receive price-advantage rates of pay on a cost pricing system may not receive such benefits in the future on a price system, and the differences may cause failures.

Cost accounting provides nursing facilities the necessary understanding of unit of service margins and can serve as the basis in the development of an admission plan strategy that is based on empirical financial data.

Benefits of SOPA SOLUTIONS

- Predicting costs of a resident prior to admission. In this way, a provider can complement its patient mix, finding the right blend from among Medicare, Medicaid and private-payer sources, thus maximizing staff performance levels.
- Accurately tracking daily profit and loss margins. The result will optimize admissions efficiency, streamline operations, and capitalize on profit potential.
- Measuring stick for tracking the difference between average costs of all units and a specific unit cost.
- Takes into account the unique and individual cost structure of the specific nursing home.
- Gives real time accounting reporting that will help make difficult admissions decisions easier and reduce uncertainty.

Please contact Anthony Morrone (amorrone@horanmm.com) or James Budd (jbudd@horanmm.com) regarding SOPA Solutions or call 631-265-6289.

FEATURED ARTICLE "STRIKING BACK" BY ANTHONY MORRONE
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