



NIVACK CASE STUDY

**PUBLIC SECTOR ENTITY
REDUCES VENDOR COSTS AND
ENHANCES SERVICE THROUGH
RENEGOTIATION**

CLIENT OBJECTIVE

**PUBLIC HEALTH IMPROVEMENT
FOR UNINSURED AND
UNDERSERVED COMMUNITIES**

NiVACK developed a pricing, contract analysis, and negotiation strategy for the client to execute in negotiation discussions with their Nurse Advice Line (NAL) Vendor to ensure underserved Californians had access to important healthcare resources.

THE COMPLEX PROBLEM

California is the most populous state, and it also has a large population of uninsured and under-served people. Providing comprehensive access to public health care services is a priority for California's leaders. The COVID-19 pandemic created additional pressures for the uninsured and under-served population, which required innovative solutions to be implemented quickly.

The client implemented a Nurse Advice Line (NAL) in 2020 to support COVID-19 clinical and non-clinical needs for California's underserved and uninsured population. A year later, they realized the need to extend the service for a further 2 years, but at a reduced cost and with additional features, including greater flexibility and enhanced reporting.

Public Health Improvement

NiVACK CASE STUDY

THE SOLUTION

- NiVACK partnered with the client leadership team to understand and evaluate usage and cost data and undertake a sensitivity analysis to create renegotiation options that were aligned with their vision and desired outcomes.
- Utilizing multiple internal data sources, along with market data enabled NiVACK to develop a pricing, contract analysis, and negotiation strategy for the client to execute with the vendor. The analysis included different price point and volume scenarios to provide greater flexibility.
- The client led the negotiations with NiVACK evaluating, and analyzing the vendor responses, and supporting on business terms, pricing, and contract red lining.

THE IMPACT

- **New Contract.** The client signed a new 12-month contract with the vendor that included two 6-month extension options, and 90-day Termination for Convenience.
- **More flexibility.** Our client was able to transition from an expensive, and inflexible fixed price/member/month fee to a competitively priced, flexible price/call fee.
- **Reduced Total Contract Value, and lower monthly costs.** The new contract vehicle resulted in an 80% reduction in monthly costs and a 75% reduction in Total Contract Value (TCV) for the client, enabling them to redeploy those funds into other high-value projects.
- **Additional, high value services.** The client was able to acquire additional high-value language line services at no cost, as a direct result of our comprehensive negotiation strategy. These are critical services in California where almost 44% of the population do not speak English as their primary language.
- **Greater than 70%** of COVID-19-related calls directed away from emergency rooms.

CASE HIGHLIGHTS



SCOPE

Only NAL service for uninsured and underserved Californians



COVERAGE

All 58 counties and 19 threshold languages.



CUSTOMER SERVICE

>90% caller satisfaction



FUTURE OPTIONS

Potential to expand and include other telehealth modalities.



"Every time I receive an invoice from the vendor I smile! I have seen no decline in service, but we are only paying 20% of what we paid previously"



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NiVACK