

Internal Medicine Coding Alert

Reader Question: Explain the EOB's Purpose To Patients

Question: We often get patients who call the practice with questions about their explanations of benefits (EOBs). One complaint is that the EOB "looks like a bill." What would be the best practice for dealing with these calls?

New York Subscriber

Answer: Explaining EOBs to puzzled patients is a challenge for all medical practices. You should make sure the caller knows that the EOB is not a bill; however, you should also inform the patient that the EOB could be the preamble to a bill.

According to healthinsurance.about.com, an EOB is a form that payers send patients after they reimburse for a medical service. "You should get an EOB if you have private health insurance, a health plan from your employer or Medicare," healthinsurance.about.com states.

The EOB will reveal one of two outcomes for the patient:

1. The EOB could reveal that the payer covered 100 percent of the patient's services, and the patient doesn't owe the payer any money. Talk to the patient and ask him if the EOB indicates that the patient owes any money. If the patient doesn't have an outstanding balance, give him a brief explanation of the EOB, tell him to hold onto it for his records and let him know that he can contact the practice with any more EOB questions.
2. The EOB might also reveal that the payer did not cover 100 percent of the patient's services. There are myriad reasons why an insurer might not cover any, or all, of a service; it could be the constraints of the health plan, deductibles, network versus out-of-network providers, etc. When a patient calls with questions about an EOB that contains an outstanding balance, you should refer the patient to a medical insurance specialist, if your practice employs one. These professionals should be able to explain the EOB to the patient; also, medical insurance specialists can often use their contacts at various payers to follow up on any questions surrounding the EOB.

Alternative: Obviously, using a medical insurance specialist is your best bet. If your office doesn't have a staffer dedicated to this area, however, a coding or billing manager might be able to explain the EOB to the patient.