Optometry Coding & Billing Alert

READER QUESTIONS: Strengthen Your Denial Management Efforts

Question: Are there any tips you can offer on how to handle denials? It seems to take a lot of effort to follow up on denials from multiple carriers.

Minnesota Subscriber

Answer: Denial management can be a daunting task, especially for large practices or billing companies. Following a few simple tips can help lessen the headaches your billers face, however.

Be proactive: Create a -top 10- list of the most common denials your office receives. Then go through that list with the billers, physicians and other personnel in your office to see if there are simple solutions, procedures or processes to prevent those denials before they occur. Use the explanation of benefits (EOBs) you get from your carriers to determine the ultimate reason for each denial.

Keep up-to-date: Refresh the list of common denials regularly, such as once every two months, to ensure you-re focusing your efforts in the right areas.

Follow up: Appealing denials when appropriate is one key to getting all the reimbursement your practice deserves. Consider dividing the job among people in your billing department by assigning billers to deal with certain carriers.

Benefit: For example, assign one person to deal with Medicare, one for commercial payers, and another for HMOs. Not only does this divide up the work, but it also allows billers to develop a close relationship with the claims rep at each carrier, so the reps will be more helpful than if a different biller calls each time.

As a bonus, this approach also makes your office more efficient with phone calls and follow-up with payers because the person in your office can call the payer he is responsible for and go through as many patients as the payer will allow in one phone call.

Tip: Create templates of your appeal letters for common denials that aren't your fault but rather are frequent payer denials, such as modifier 25 denials. This way you don't have to rewrite them each time.