Denial Management Solutions

Revenue Integrity

CLAIM WRX
DENIAL MANAGEMENT SOLUTIONS

Revenue Integrity

What we will cover today

Revenue Integrity

- The benefits of working with us
- The denial impact
- The Revenue Integrity journey
- Where we make an impact

Revenue Integrity Impact Expanded

- Coding review
- Clinical appeals
- Claims review/auditing
- Executive level reporting

Revenue Integrity DMS Workflow

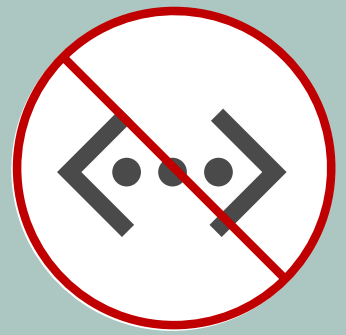
- Implementation timeline

The benefits of working with us

Fast Implementation

NO IT Integration

NO Operational Disruption



NO Risk

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What problem are we tackling?

The denial impact

Claim denials are hugely disruptive, costly and time-consuming resulting in lost value for your practice and frustration for your staff and patients.

Estimated Total Charges

$1 Billion

Based on $2M in annual charges per staffed bed with 500 beds

Estimated Denials at 10%

$100 Million

$500 million or 10% of estimated charges

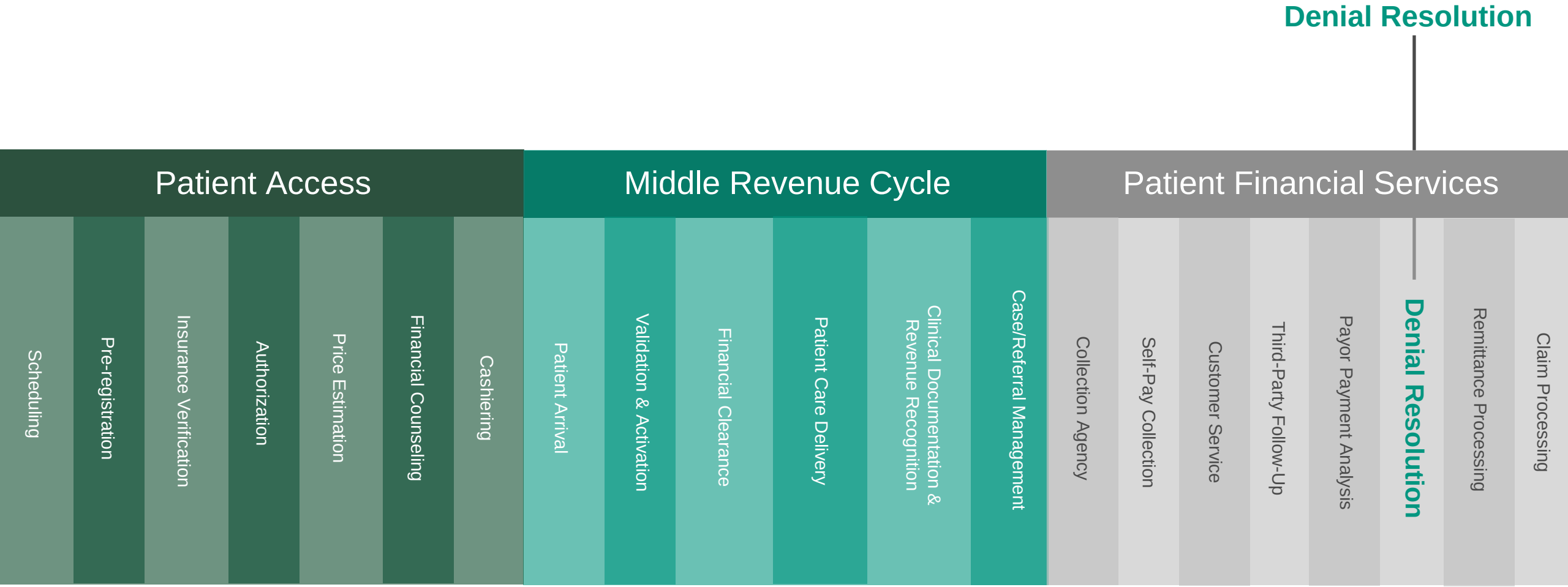
Only 1/3 Re-Submitted

$66 Million

Total Opportunity

The Revenue Integrity Journey

Where we come in



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Denial Resolution

Where we make an impact

Coding Review

- ✓ DRG
- ✓ APC
- ✓ CPT
- ✓ HCPC
- ✓ RAC
- ✓ … and much more

Clinical Appeals

- ✓ Medical Necessity
- ✓ Authorization
- ✓ Experimental/Drug
- ✓ Denied Days
- ✓ RAC
- ✓ … and much more

Claims Review/ Auditing

- ✓ Line-Item Audit
- ✓ Claim Review
- ✓ High-Cost Pass Thru
- ✓ CDM Review
- ✓ Zero Balance Claims
- ✓ … and much more

Coding Review

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Coding/Modifiers/DRG Validation/APC Validation:

Let us customize this space for you. You are likely very aware of all your coding “pain points”. *That is the space we want to occupy, the tough stuff.* Using your encoder or ours, we will assess and customize a series of reports, develop a workflow, and apply our focus in this order:

1) **RECOVER** your hard-earned dollars
2) **CAPTURE** the “story” of the denial for later aggregation to uncover the **“Root Cause.”**

Clinical Appeals

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July 20, 2022

Anthem Blue Cross
Grievances and Appeals
21215 Burbank Boulevard
Woodland Hills, CA 91367

Patient Name:	**NAME**
Internal Account #:	123123123
Dates of Service:	6/9/2022 – 6/11/2022
Subscriber ID#:	ID1234

To whom it may concern:

Sample Hospital received a denial letter for Authorization # UM1234 dated 7/12/2022 for the above patient inpatient stay of 6/9/2011 – 6/11/2022. It was denied due to "not medically necessary." MCG Guideline, Headache (ORG: M-185) was used as guidelines. It was noted that a full hospital admission for a headache medically necessary when severe problems exist. This might include bleeding in the brain, brain swelling or brain infection. Sample Hospital respectfully disagrees with this determination and request approval of UM1234 to support our request you will find a medical summary and a day-to-day summary of the evaluation, treatment, and monitoring.

Your member is a 56-year-old female with history of hyperlipidemia, migraines, GERD, Sleep Apnea, Major depressive disorder, and borderline hypertension presented to the Emergency Department with 2 days of persistent imbalance sensation with associated basilar headache.

6/9/2022 – Emergency Department – Her vital signs were Temperature 36.7 degree Celsius, Pulse 73, Respiration 18, Blood Pressure 139/107 with ataxic gait, and Sp02 100%. Her blood work revealed CBC within normal range, Sodium 134, Chloride 98, Cholesterol, Non-fasting 245, LDL, non-fast, 147, Non-HDL Choles non fast 168, and INR 1.0. She had the following radiology procedure:

- XR Chest – The test showed Airway is midline. No cardiomegaly, No effusion. No infiltrate, No pneumothorax.
- CTA Head and Neck Angiogram – The test showed:
  - Slight intimal step-off involving the proximal right internal carotid artery raising concern for intimal injury. There is also subtle internal

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Clinical appeals

Case study:

Hospital System

2022 results

Challenge

The client was suffering under an “onslaught” of denials and while struggling to keep up, they also wanted to understand the exact reason for the denials and their fiscal impact by payor.

Solution

The **Claim WRX** application was deployed in 9 days after facility required EHR training. Client created an EHR work queue where staff could pass us work as they needed help. Those cases are:

- Assessed for appeal strategy
- Appeal Written within 5 days or sooner
- Appeal Over Read for Strategy, Accuracy, Grammar (Industry Outlier)
- Client Delivery of “Appeal Story/Report” and Appeal Letter
- Executive Reports Delivered Monthly (Online Meetings Available)

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Clinical appeals

Case study:

Hospital System

2022 results

Results

Summary of a typical month

Summary

Total Cases Represented = **20**

Total Billed Amount **$ 3,517.229.32**

Total Expected Reimbursement (after adjustments) = **$947,192.12**

Total Recovered Amount after Appeal Exhaustion = **$764,019.33**

70% of Denial Reasons are declared **Medical Necessity**

80% are “actually” **IP auth requested denied** as the **“root cause”**

Top 3 Payor Activity Reports show these stats broken down again by Payor

Client Impact

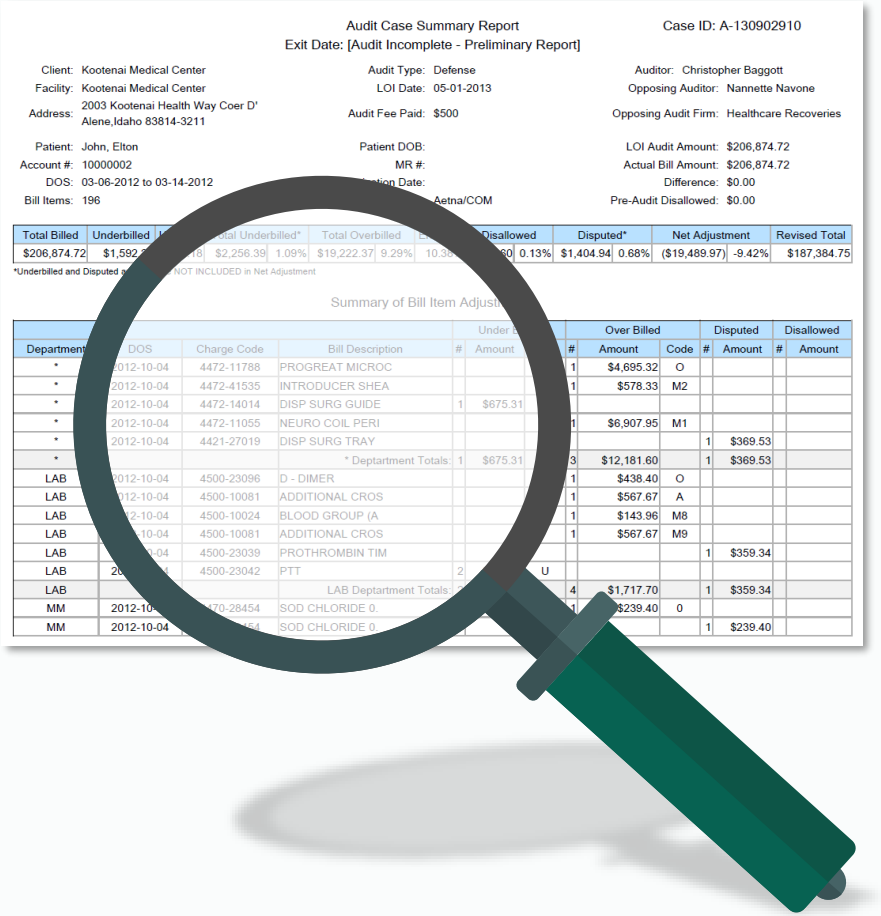
80.66% recovery **($764,019.33)** of denied dollars using a variety of appeal techniques in conjunction with the creation of the “story” of why the denial occurred.

Detailed feedback generated by Individual Case Reports and Executive Level Reporting delivered to client (Online Meetings Available).

Audit/Line-Item Claim Review

How it works:

- Easily manage audits from the Letter of Intent to Line-Item Claim Review/Audit (LOI) through adjudication
- Track all aspects of audit stages from pending to closed and every stage in between
- Synchronizes seamlessly with Outlook, and Gmail. Web-based



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Auditing

Case study:

Hospital Health System

2015 - 2022 results

Results

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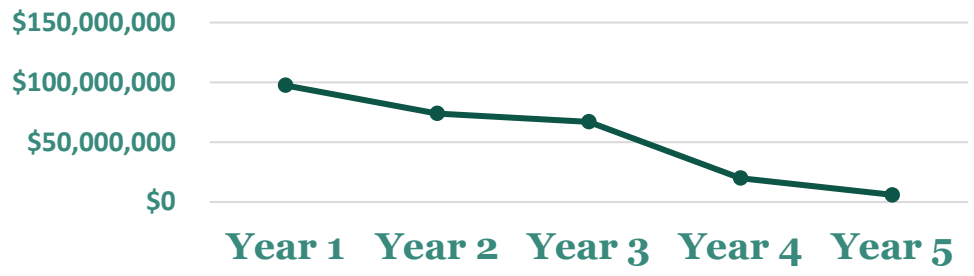
COMPLETED AUDITS ERROR RATE and Audit Decline: COST CONTAINMENT						
Year	Audits Managed (Decline amount due to corrective actions implemented)	Total Underbilled	Other Billing Errors	% Underbill Error Rate	% Billing Error Rate	Gross Error Rate
Year 1	$97,553,957	$610,696	$1,891,284	0.63%	1.94%	2.57%
Year 2	$73,966,216	$327,438	$1,977,466	0.44%	2.67%	3.11%
Year 3	$67,018,361	$505,355	$869,717	0.75%	1.30%	2.05%
Year 4	$19,841,078	$177,265	$373,551	0.89%	1.88%	2.77%
Year 5	$5,889,894	$43,968	$87,027	0.75%	1.48%	2.23%
Total	$264,269,506	$1,664,722	$5,199,045			Avg. 2.5%



$91,664,063

Decrease in overall amount being audited – seeing dramatic results when error rates were already extremely low.

Executive-Level Reporting

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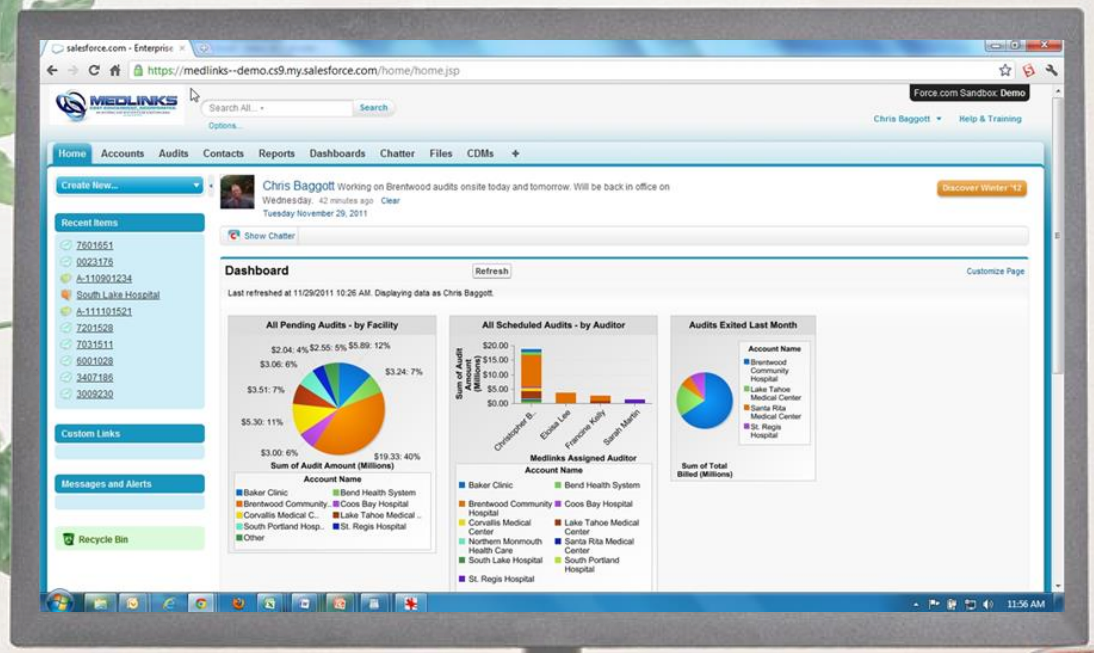

Executive Level Reporting – Here's how it supports YOUR org

Denial Management Committee Meetings
Ongoing Education Feedback
Nursing Updates/Continuing Education
Clinical Documentation Improvement (CDI)
Denial Management Internal Policy and Procedure

Reports:

Pipeline Report – At Risk Dollars (pending and scheduled)
Completed Last Month – By Payor with Financials
Top 10 Overbilled
Top 10 Underbilled
Top 10 by Payor (appeals)
Drill Down Reports for Root Cause
Narrative with Report Definitions and Commentary

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Denials Management Policy and Procedure

This template is intended as a guide for you to reimagine and execute your "defensive" stance in this key role of Denials Management. Remember YOU set the tone at your facility!

This P&P should be carefully vetted for its legal requirements as compared to your contractual arrangements and in many cases, you may have to include or exclude certain Payors from clauses based on contractual restrictions. When engaging with outside audit firms, send them this document for signature before you will schedule. This way everyone knows your rules for engagement.

Engagement Letter/Disclosure Authorization

Essentially this section should prompt you to define completely the elements REQUIRED in notifications of intent to audit, request for records, denial submission, and financial takebacks.

Audit Process

This is by far the most important part of your internal process. Here you should spell out EVERY SINGLE step of your expected process, from letter of intent to adjudication WITH HEAVY EMPHASIS ON REFUNDS BEING POSTED.

Audit Criteria/Pre-Audit Information

Here you're looking to establish a set of guidelines for engagement. Is the claim paid and to what percentage? What is the scheduling procedure? Is there a limit to the number of requests?

Special Circumstances

Third Party Audit Firms will often "reinvent this space" with new audit types. We generally stop these with an extremely high audit fee.

Audit Fees

EVERY SINGLE TIME you can charge an audit fee, you should. Fees can be a static number, a percentage of charges, a penalty for scheduled but no-shows, and so on.

Right of Refusal to Audit

You retain the right to stop an audit at any point, with or without explanation by the opposing party, and may refuse that individual and their firm access to records in the future for perceived misconduct.

Denials P&P Benefits

- ✓ Employ "Cost Containment" Practices
- ✓ Pipeline Report – Know all your "at risk" dollars from a single source data point
- ✓ Collect fees, and control requests for records

Appeals Reports and Data

Report examples

- ✓ Case summary report
- ✓ Pipeline report
- ✓ Sample audits completed

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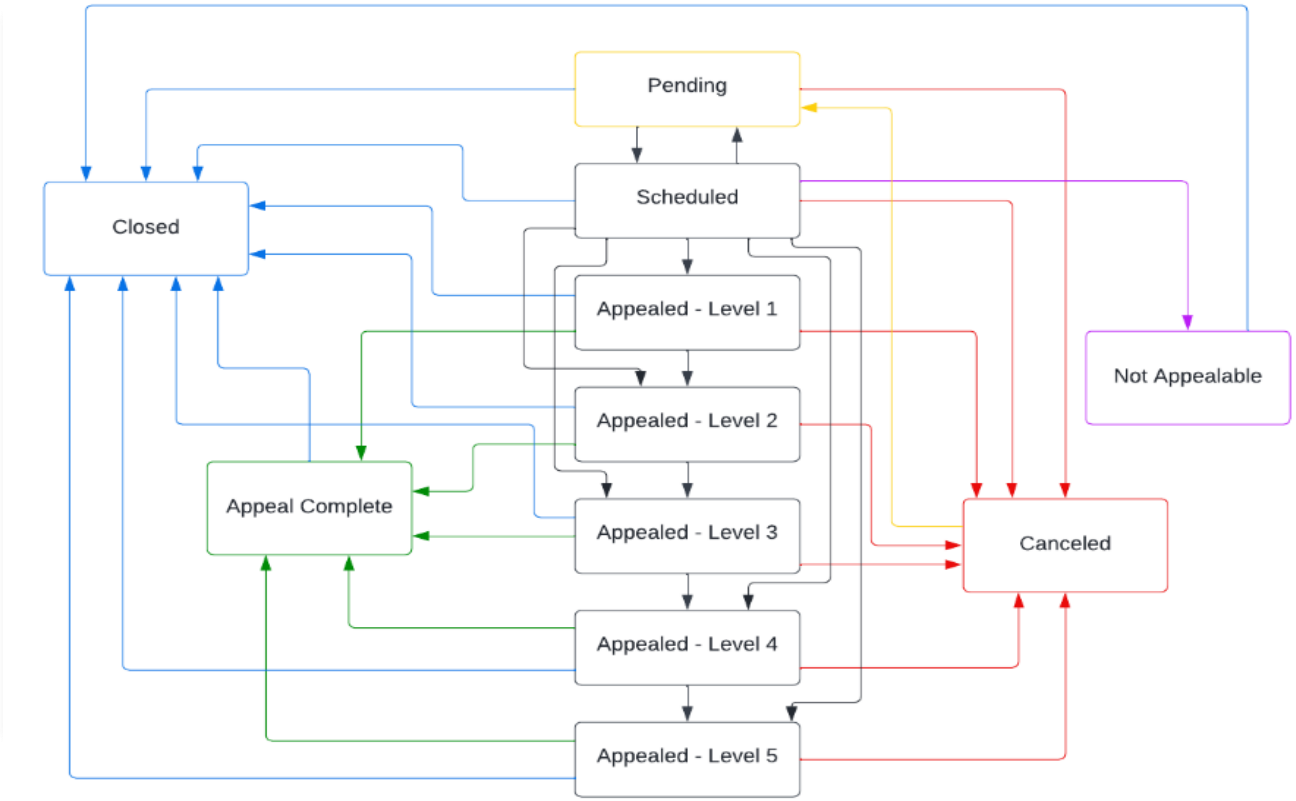
Appeals Five Level Workflow



Know the True Cost Of Denials

- ✓ Tracks ALL hours committed to EACH appeal
- ✓ NO IT Integration
- ✓ KNOW your denials “root causes”

Appeal Case Report

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Appeal Case Detail Report

Case ID: AP-220800002

Client Account: ABC Hospital
Facility: ABC Hospital
Address:

Facility Contact Primary: Jane Smith
Third Party Firm: (None Specified)

Appeal Specialist: Sally Appealer
Peer to Peer Specialist: (None Specified)
Overread Specialist: Owen Overreader

Patient: Ellen Example
Patient Account #: 123456789
Dates of Service: 02-28-2022 to 04-14-2022

DOB: 11-14-1956 Patient
MR #: 123456
Subscriber ID654321:
Claim ID: (None Specified)

Total Billed Amount: $1,385,071.13
Total Denied: $92,478.00
Total Recovered: (None Specified)
Total Recovered Rate: 0%

Total Billed	Expected Reimbursement	Total Denied	Total Recovered	Total Recovered Rate
$1,385,071.13	$695,591.11	$92,478.00	92,478.00	100%

Appeal Summary Details

Final Stage: Appealed - Level 1
Appeal Type: Clinical

Payer: United Healthcare
Payer Type: Commercial

Denied Date: 06-30-2022
Denial Overturned Date: 08-30-2022

Appeal Due Date: 08-12-2022

Denial Upheld Date: (None Specified)

Payer Denial Reason: Clinical Medical Necessity

Actual Denial Reason: Clinical Medical Necessity; Day(s) Denied

Root Cause: Day(s) Denied Defined and Appealed

Appeal Notes

Title	Note	Created	Last Modified
Time spent on Appeal	6 hours was spent on appeal. It was 45 days in patient stay and 7 days of it was denied. Took time to review all aspects of chart.	08-18-2022 by Erica Goodwin	08-18-2022 by Erica Goodwin
Submitted to ABC Hospital	Sent appeal letter to John Paul on 08.18.2022	08-17-2022 by Erica Goodwin	08-18-2022 by Shirley Garcia
08/05/2022 1452 GENERAL	Medlinks, please review. United Healthcare has denied dates of service 4/8/2022-4/14/2022 stating patient could have been safely discharged on 4/8/2022. May you review those dates and, if you find the patient was not safe for discharge, provide a clinical letter in support for an appeal?	08-12-2022 by Shirley Garcia	08-18-2022 by Shirley Garcia

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Denial/Appeal Letter Example

July 20, 2022

Anthem Blue Cross
Grievances and Appeals
21215 Burbank Boulevard
Woodland Hills, CA 91367

Patient Name:	**NAME**
Internal Account #:	123123123
Dates of Service:	6/9/2022 – 6/11/2022
Subscriber ID#:	ID1234

To whom it may concern:

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6/9/2022 – Emergency Department – Her vital signs were Temperature 36.7 degree Celsius, Pulse 73, Respiration 18, Blood Pressure 139/107 with ataxic gait, and Sp02 100%. Her blood work revealed CBC within normal range, Sodium 134, Chloride 98, Cholesterol, Non-fasting 245, LDL, non-fast, 147, Non-HDL Choles non fast 168, and INR 1.0. She had the following radiology procedure:

- XR Chest – The test showed Airway is midline. No cardiomegaly, No effusion. No infiltrate, No pneumothorax.
- CTA Head and Neck Angiogram – The test showed:
  - Slight intimal step-off involving the proximal right internal carotid artery raising concern for intimal injury. There is also subtle internal

Denial/Appeal Impact Example

Account Name: Example Provider/Payer Account (20 records)										
Payer	Audit Stage	Service Start Date	Service End Date	Payer Denial Reason	Root Cause	Total Billed	Expected Reimbursemen	Denied Amount	Recovered Amount	Recovery Rate
Aetna	Exit Completed	4/6/2022	4/10/2022	medical necessity	IP auth requested denied	69,876.59	15,967.38	15,967.38	15,967.38	100.00%
Aetna	Exit Completed	4/20/2022	5/3/2022	no clinical sent	IP auth requested denied	113,715.18	20,050.00	20,050.00	20,050.00	100.00%
Aetna	Exit Completed	5/21/2021	7/26/2021	medical necessity	IP auth requested denied	655,461.15	452,268.19	452,268.19	408,657.29	90.36%
Anthem Blue Cross	Exit Completed	3/14/2022	3/18/2022	no authorization	Approved auth not processed on claim	130,802.28	22,485.16	22,485.16	0.00	0.00%
Blue Cross Anthem	Exit Completed	3/11/2022	3/13/2022	medical necessity	IP auth requested denied	67,252.28	16,156.00	16,156.00	8,127.00	50.30%
Blue Cross Anthem	Exit Completed	11/12/2021	11/14/2021	medical necessity	IP auth requested denied	43,664.77	16,156.00	16,156.00	16,156.00	100.00%
Blue Cross Anthem	Exit Completed	2/18/2022	2/20/2022	medical neccesity	IP auth requested denied	74,462.12	8,078.00	8,078.00	0.00	0.00%
Blue Cross Anthem	Exit Completed	4/28/2022	5/12/2022	no auth	COB issue	284,819.65	24,686.10	24,686.10	12,800.00	51.85%
Blue Cross Anthem	Exit Completed	5/23/2022	5/25/2022	medical neccesity	IP auth requested denied	105,883.38	16,156.00	16,156.00	11,896.00	73.63%
Blue Cross Anthem	Exit Completed	3/30/2022	4/6/2022	medical neccesity	IP auth requested denied	85,818.68	56,546.00	56,546.00	56,546.00	100.00%
Caremore Health Plan	Exit Completed	5/20/2022	5/23/2022	late notification	IP auth requested denied	77,327.68	8,802.54	8,802.54	5,700.00	64.75%
Caremore Health Plan	Exit Completed	2/26/2022	3/8/2022	delay in care	IP auth requested denied	319,001.32	22,456.97	22,456.97	22,456.97	100.00%
Caremore Health Plan	Exit Completed	5/18/2022	5/20/2022	no denial	no denial	148,909.03	35,397.00	35,397.00	35,368.00	99.92%
Caremore Health Plan	Exit Completed	4/13/2022	5/9/2022	medical necessity	IP auth requested denied	739,539.66	114,905.10	114,905.10	76,368.00	66.46%
United Healthcare	Exit Completed	5/4/2021	5/6/2021	medical neccesity	IP auth requested denied	64,450.09	9,623.48	9,623.48	9,623.48	100.00%
United Healthcare	Exit Completed	11/17/2021	11/24/2021	medical necessity	IP auth requested denied	119,438.36	16,043.21	16,043.21	16,043.21	100.00%
United Healthcare	Exit Completed	6/10/2022	6/13/2022	medical neccesity	IP auth requested denied	61,193.01	34,242.00	34,242.00	18,650.00	54.47%
United Healthcare	Exit Completed	4/15/2022	4/17/2022	medical neccesity	IP not approved for all days	70,409.91	22,828.00	22,828.00	22,828.00	100.00%
United Healthcare	Exit Completed	7/7/2021	7/13/2021	medical necessity	IP auth requested denied	126,462.68	12,133.41	12,133.41	6,782.00	55.90%
United Healthcare	Exit Completed	6/11/2021	6/16/2021	medical necessity	IP auth requested denied	158,741.50	22,211.58	22,211.58		0.00%
Grand Totals (20 records)						**3,517,229.32**	**947,192.12**	**947,192.12**	**764,019.33**	**81%**

Denial/Appeal Impact by Denial Reason

Total By Denial Reason		% To Total Cases		Total Billed	Expected Reimbursement	Denied Amount	Recovered Amount	Recovery Rate %
medical necessity	14	70.00%		2,442,654.18	813,314.35	813,314.35	667,644.36	82.09%
no authorization	2	10.00%		415,621.93	47,171.26	47,171.26	12,800.00	27.14%
delay in care	1	5.00%		319,001.32	22,456.97	22,456.97	22,456.97	100.00%
late notification	1	5.00%		77,327.68	8,802.54	8,802.54	5,700.00	64.75%
no clinical sent	1	5.00%		113,715.18	20,050.00	20,050.00	20,050.00	100.00%
no denial	1	5.00%		148,909.03	35,397.00	35,397.00	35,368.00	99.92%
Total	**20**	**100.00%**		**3,517,229.32**	**947,192.12**	**947,192.12**	**764,019.33**	**80.66%**

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Auditing Reports and Data

Report examples

- ✓ Case summary report
- ✓ Pipeline report
- ✓ Sample audits completed

Audit Case Report

Audit Case Summary Report
Exit Date: [Audit Incomplete - Preliminary Report]

Case ID: A-130902910

Client:	Kootenai Medical Center	Audit Type:	Defense	Auditor:	Christopher Baggott
Facility:	Kootenai Medical Center	LOI Date:	05-01-2013	Opposing Auditor:	Nannette Navone
Address:	2003 Kootenai Health Way Coer D' Alene,Idaho 83814-3211	Audit Fee Paid:	$500	Opposing Audit Firm:	Healthcare Recoveries
Patient:	John, Elton	Patient DOB:		LOI Audit Amount:	$206,874.72
Account #:	10000002	MR #:		Actual Bill Amount:	$206,874.72
DOS:	03-06-2012 to 03-14-2012	Authorization Date:		Difference:	$0.00
Bill Items:	196	Payer/Type:	Aetna/COM	Pre-Audit Disallowed:	$0.00

Total Billed	Underbilled	Unbilled	Total Underbilled*		Total Overbilled		Err Rate	Disallowed		Disputed*		Net Adjustment		Revised Total
$206,874.72	$1,592.21	$664.18	$2,256.39	1.09%	$19,222.37	9.29%	10.38%	$267.60	0.13%	$1,404.94	0.68%	($19,489.97)	-9.42%	$187,384.75

*Underbilled and Disputed amounts are NOT INCLUDED in Net Adjustment

Summary of Bill Item Adjustments

				Under Billed			Over Billed			Disputed		Disallowed	
Department	DOS	Charge Code	Bill Description	#	Amount	Code	#	Amount	Code	#	Amount	#	Amount
*	2012-10-04	4472-11788	PROGREAT MICROC				1	$4,695.32	O				
*	2012-10-04	4472-41535	INTRODUCER SHEA				1	$578.33	M2				
*	2012-10-04	4472-14014	DISP SURG GUIDE	1	$675.31	U							
*	2012-10-04	4472-11055	NEURO COIL PERI				1	$6,907.95	M1				
*	2012-10-04	4421-27019	DISP SURG TRAY							1	$369.53		
*			* Deptartment Totals:	1	$675.31		3	$12,181.60		1	$369.53		
LAB	2012-10-04	4500-23096	D - DIMER				1	$438.40	O				
LAB	2012-10-04	4500-10081	ADDITIONAL CROS				1	$567.67	A				
LAB	2012-10-04	4500-10024	BLOOD GROUP (A				1	$143.96	M8				
LAB	2012-10-04	4500-10081	ADDITIONAL CROS				1	$567.67	M9				
LAB	2012-10-04	4500-23039	PROTHROMBIN TIM							1	$359.34		
LAB	2012-10-04	4500-23042	PTT	2	$916.90	U							
LAB			LAB Deptartment Totals:	2	$916.90		4	$1,717.70		1	$359.34		
MM	2012-10-04	4470-28454	SOD CHLORIDE 0.				1	$239.40	0				
MM	2012-10-04	4470-28454	SOD CHLORIDE 0.							1	$239.40		

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Coding Reports and Data

Report examples

- ✓ Case summary report
- ✓ Pipeline report
- ✓ Sample audits completed

Claim WRX
DMS Workflow

How we get started

Implementation timeline

How we get you from where you are to where you need to be for process optimization and financial success.

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Assess and customize

Audit Vulnerability Assessment

Report on Vulnerability Assessment

Solve and implement

Deploy Claims Denial Management/Auditing Service

Adjudicate Claims

Deliver and report

Report Underbilled/Overbilled Root Cause Analysis

Corrective Action Implementation

Questions?

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Thank You

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