



Reducing Denials

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Introduction

Every organization has paid for a webinar, or a newsletter for advice on how to reduce denials. The advice is great but often not new. The fact is we hospital administrators have heard it before but we just can't get the advice to become reality. Worse yet even if our denial rate is at goal how do we know that our goal is reliable. This presentation is a brief overview of some of the most important aspects of denials and how to best manage this problem.

Utilization Management

Most of us in healthcare have a hard time believing that payers want to pay for anything. The fact is they do. Delay and lack of care costs more eventually so the goal is to pay for the right care in the right time and place.

The questions to ask about a denials are :

1. Where should this patient have received care?
2. How much care should be rendered in each setting of care?
3. Are we providing enough access for outpatient levels of care or are we forced into utilizing the most expensive setting of care to treat our patients.
4. How often are we providing care that is based on a provider's or families convenience?

From here all denials can be managed.

- ✓ Ensuring that all patient rights are met:
 1. The right care
 2. To the right patient
 3. In the right amount
 4. At the right time
 5. In the right environment.

Worse than a Denial

Under Payments

- Poor Documentation resulting in a lower MSDRG.
- Add on procedures or chemotherapy unrelated to the admission.
- Technology costs outrunning the DRG (Biomesh & Devices)

Excess Observations

- Physicians have adapted to easiest no hassle status
- Case Management lacks proper education on Inpatient criteria.

Criteria Mis-Use Resulting in Denials or Observations

- Case Managers need to understand the criteria the hospital has elected use.
- Physicians often do not know how to document their findings in “criteria speak”.
- Poor reviews to the payers result in a concurrent denials.
- Attending physician accepts observation.

Concurrent Appeals

- A well trained institutional medical director can develop credibility and relationships with the payer medical directors.
- Always insist on a copy of the used and or not used to deny the care when the hospital's UM process supports IP status

Regulatory Rules to Defend Against Denials

- Use the CMS final rules in your favor.
- Know your States Department of Health rules for Inpatient.
- Medicare Inpatient Only List

How Can We Help?

- Evaluation of your processes and opportunities.
- Education for the entire Case Management team.
- Coaching of Physician Champions.
- Interim Physician Advisor services.

