

BREAKING DOWN THE KEY COMPONENTS OF AR INTO 6 EASY STEPS

How to prevent it. How to work it.

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Aging claims are inevitable for any practice.

But if your practice is like most, working your aging becomes a reactive process rather than a proactive one. The challenge is to re-think your approach: re-prioritize, and follow a system that holds those accountable that directly, and indirectly, contribute to aging.

Here are 6 categories with specific questions and steps for a more systematic approach to working your aging claims:

1. System Basics

- Are your insurance payers set for electronic submission w/correct payer IDs?
- Do you review and update your payer lists monthly?
- Are claims that you are currently keying into a portal available to file through the clearinghouse? (Medicaid and several Vision payers do accept electronic filing.)
- Are any payers that you have set for paper submissions able to be sent electronically instead?
- Are you up to date with your credentialing?

2. Patient Audit

- Does the patient name match their legal/insurance name for claim submission?
- Are the demographics correct for address and date of birth?

- Do you have all the insurance details (payer, subscriber name, subscriber DOB if not the patient, ID # and Group #)?
- Do you verify eligibility prior to the visit?
- Do you obtain a physical copy of all insurance cards for the file?
- Do you verify the submission address & details? (For instance, does it go direct to the payer or to another entity, payer ID for electronic, phone # and mailing address?)

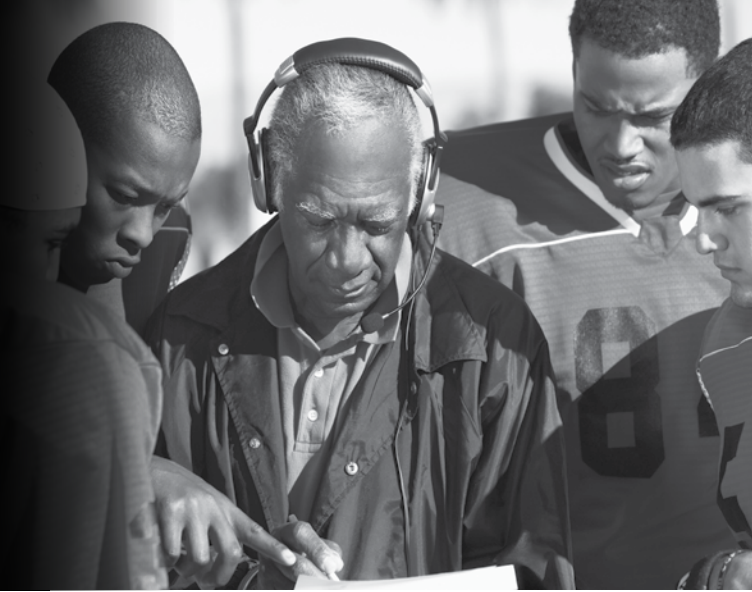
3. Claim Audit

- Is your claim complete—with both services and diagnosis?
- Have you ensured the claim goes to the appropriate payer if there are multiple payers?
- Have you scrubbed the claim? (For instance, are the diagnoses appropriate for the services billed, and do any of the line items require a modifier?)
- Do you daily check the clearinghouse for any claim rejections and work them right away for correction or other action?
- Do you work denials received on the EOB? (Payers have a secondary timely filing.)
- Do you send a letter with a claim if you know it's near or past time, explaining why it's filed well past the service date? (Perhaps the patient recently provided new insurance information; this will help the claim process on the first submission.)

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4. When a Claim Falls into Aging

- Prioritize. Understand your timely filing limits per payer, including secondary timely filing.
- Sort your payers and attack them shortest to longest.
- Set a daily goal of claims to review. Working 3 aging claims per day in a month with 22 business days would mean 66 claims worked. Smaller bites of AR tend to have better results.
- Understand appeal processes for your payers.
 - Do they require you to fill out their form, or can you submit a general letter stating your case?
 - Is there a different address for appeals?
 - Do you have to file via a portal, or can you fax?
 - If your appeal is denied, is there a secondary appeal that can be filed?

5. Receiving Payments and EOBs

- EFT is the fastest and best option for both. Many will process within 5-21 days.
- Mailing, whether filing or receiving, will add a significant amount of time to the process.
- If you understand the time lapse to payment from your payers, you can begin a proactive cycle of checking on claims that fall just outside of the expected processing.

6. Importance of Accountability

- If there is a kink in any part of the process, you create more work and more delay to the claims process.
- Know where your AR stands and which issues are contributing to the process.
- Run an AR report at the beginning of the month. What is your focus going to be?
- Update your status and progress to that same report and use that as a check/balance. What was tackled, and what wasn't?

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