

STRATEGIES

for Getting Paid Faster on Outstanding Claims

By Jack Daly



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One of the biggest challenges facing the health care industry is improving payments on outstanding claims from government and insurance payers.

Health care providers and home medical equipment (HME) suppliers alike must pay close attention during the claims process in order to avoid potential delays in reimbursement. Whether it is Medicare, Medicaid or a private insurer that will make the payment, claims can take weeks or even months to process. Small errors in submission can lead to even longer delays. Fortunately, you can improve your experience and speed up your payments by using three key strategies: organization, dedicated claims managers and utilizing financing facilities that are designed for the complexities providers face.

Organization Is Key

Diligent upfront work is one of the key strategies for improving the speed of payments on outstanding claims. Business owners need to work with their front office staff to ensure that they understand the importance of pre-clearing patients through their government or insurance payers. Implementing processes for pre-admission that include up-to-date and accurate recording of the patient's

insurer, co-pays, plan type and payer contact information is important to streamlining the revenue cycle. Billing staff in a provider's office or HME supply company should make sure they understand a patient's benefits and what amount the payer will cover.

As we approach a new benefit year as well as a new government administration, it will be even more important to verify the allowed amounts for each procedure and prescription for HME under your contract. There are a number of good software packages to help with the pre-qualification of patients that will also help with the billing and coding.

Quick Response Is Essential

Federal reimbursements have been increasingly scrutinized and reduced as a result of suspicious claims. Many key players argue that they are not the ones submitting fraudulent claims, but CMS has replied that many of the errors are unintentional. To combat any doubt, you need to have a billing team—either internal or outsourced—who can proactively identify potential reasons for claim denial. This team

should have a strong working knowledge of current ICD-10 codes and/or access to software that helps translate coding properly. Additionally, they should be empowered to reach out to providers to get documentation of diagnosis, treatment protocols and prescriptions that could delay reimbursement due to uncertain determination of medical necessity.

Investing in specially trained employees who are dedicated to working with any claims that are denied by payers is also strongly advised. If you cannot make this investment, you should consider hiring an experienced outside billing firm to manage the process. The follow-up items on any denial needs to be handled as soon as the denial is received, and your team needs to have ready access to the information needed to state your case for payment. Having an experienced and empowered billing team on your side that is knowledgeable about billing practices can speed up payments for your practice.

Have the Right Partner

A final strategy is to utilize a financing facility that gives you ways to control the timing of payments.

Traditionally only large health care organizations and HME suppliers have been able to secure capital to cover costs of current expenses or planned improvements. New finance companies are able to bring these services to smaller medical groups. Specialized finance companies focus on providing resources to the health care industry and they understand the timing of medical reimbursement for providers and suppliers—and the potential risk for delays.

Small health care companies should know that they can secure financing for additional employees, software or other capital expenses to help improve

business even in the event of delayed reimbursement. Traditional lenders may allow extensions to accommodate a payment lag. More specialized financial companies can put in place a factoring line that allows the business owner to select outstanding claims for early payment. Through this type of arrangement, outstanding claims are sold at a small discount to their expected payment amount, and the practice or medical supplier gains immediate access to the cash for any business purpose. This strategy does have an explicit cost for the discount fee. However, these financing facilities offer the business owner the most flexibility in running their practice, and they free up capital that small and medium sized health care organizations could not previously access.



Strategize for Success

Navigating the requirements for providing medical care and being reimbursed for it is an ongoing challenge. The potential for an organizational process to hit a snag that leads to additional work to receive payment on a previously denied claim is an everyday reality for health care professionals. Regulations enacted to prevent continued fraud add to the workload and increase the risk of submitting a claim that will be denied. The delay caused by these oversights, as well as reductions in reimbursement meant to counteract the excess spending caused by them requires more diligence than ever to improve the time between claim and payment.

Organization is critical to preventing delays in payment. Improving check-in procedures makes it easier for billing staff to process claims. The ability to gain needed information—paired with experience in billing procedures and terminology—allows a dedicated team to increase the claim approval percentage. When claims are denied, claims managers with knowledge of the claims process and up-to-date procedures are the fastest way to turn the claim around correctly so it can be paid quickly.

Fortunately, there are many qualified health care professionals, both clinical and operational, who are proactive about ensuring proper documentation and procedural follow-through. However, with so many moving parts in the health care industry, there is always room for error. Employees are the first line of defense in revenue cycle management. Technology such as population health or practice management software and updated medical equipment allows your team to focus on providing care to your patients and clients.

Similar to other changes in health care, the delay to payment for quality care is inevitable. Access to capital for operational costs and improvements is no longer for the largest and most successful medical organizations. Finance companies that specialize in providing funds for medical professionals understand the potential delays in payments and are able to work with companies of all sizes. These specialized lenders help unlock the potential for all health care organizations to meet the needs of patients while maximizing ability for suppliers and providers to meet regulatory requirements.

The most successful strategy for health care success is working with an organized team to overcome challenges. **HC**