

Strategies for Reducing Appeals – Both Commercial and Medicare

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- An unpaid hospital day
- Lacks criteria for admission or continued stay
- Mid-stay denial- delay in test/ surgery (weekend)
- Cost the organization lots- must be aggressively appealed
- Must strive to avoid getting denials

Denials

- They deny because they can, part of the commercial insurer business model
- Concurrent denials issued while patient in house; can alert attending so that patient can be discharged or documentation buffed
- Reconsideration- PA can speak with insurance company medical director to reverse denial (poker example)
- PA can note patterns of denials; patterns of physicians who get them

Commercial Denials

- Delegated hospitals self-deny
- Auditors (MAC,RAC) deny retrospectively
- Concurrently, review Medicare admissions to see if they meet acute or observation level of care
- Review all 1 day stays, may need to self deny cases that fail 2 midnight rule
- Exceptions to 2 midnight rule: inpatient surgery list, AMA, transfer, death, hospice, spent 2nd night in ER

Medicare Denials

RAC/MAC



ATTACK

- Review all observation cases that approach 2nd midnight- admit or discharge
- Case Management can track denials, fix inefficiencies
- Too many self-denials? Address problem in ED with ED case managers
- Work toward minimizing denials, they cost organization lots of \$\$

Medicare Denials

- Reconsiderations- verbal appeal with medical director. Know the case before you get on the phone. Many times insurance company doesn't have key information
- Written Appeals- some appeal writers cite literature, I do not
- Keep letters 1-1/2 typed pages. Succinctly give facts. Leave emotion out. Do not have condescending tone.

Appeals

- Need appeals coordinator to follow time lines and make sure appeals mailed certified to correct place. Insurance company counts on you to mess it up.
- Be aggressive. Aggressive appeals cause insurance company to pick on other hospitals.
- Utilize 3rd level appeals with independent reviewer when possible.

Appeals

- Keep track of your success- this is a direct return on investment for organization
- (Last year I won over 400 days- \$600 K ROI)
- Use your experience doing appeals to help avoid denials
- RAC/MAC denials
- ALJ cases
- RAC proof your organization

Appeals

- The best denial is the one you never get
- The best appeal is the one you never have to do

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