introduction

Medical Necessity Appeals
Why & How

If you are a healthcare provider or biller whose insurance claims have been denied for medical necessity, this book is for you. You have probably been shaking your head in disbelief at the number of claims being denied as not medically necessary even though you believe that the care provided was absolutely required for your patient's benefit. It can sometimes feel like every insurance carrier has declared war on providers making it harder and harder for them to get paid for their services. But, since the insurance carrier is the one managing the reimbursement and initially determining whether or not you get paid it is a good idea for providers to know in advance what the rules of engagement are in this war and how to develop a battle plan.

Also, it is important to me, personally, that the reader of this book understands my passion on the issue of medical necessity appeals and why I have decided to put this book and reference material together. It is my intention to offer you a **M**assive **A**ction **P**lan, otherwise known as…a map! I intend to guide you along the way with clear, step-by-step directions. So, consider this guide your Field Manual.

For nearly two decades I have been navigating the rough and rocky terrain of the billing industry. I have provided billing, collections and consulting services to chiropractors, physical therapists and multi-disciplinary clinics. I have seen the billing industry change dramatically over that time and have come face to face with the three D's – a provider's greatest enemies:

- Denials
- Declining benefit plans
- Decreased Revenue.

I have tracked the problems as well as the solutions. Gone are the days of submitting claims easily; and gone too are the days of getting paid easily.

Make no mistake, the level of difficulty in establishing the medical necessity of your claims is in direct proportion to the level of difficulty in getting the claims paid.

Too often, the process goes something like this:

- The provider submits the claims for their services to the insurance carrier.
- The insurance carrier requests the clinical documentation associated with the care.
- The provider submits the notes for the unpaid dates of service.
- The insurance carrier denies the claims as *not medically necessary.*
- The provider *writes-off* the denied dates of service.
- End-of-story.

introduction

This is not an acceptable outcome to me. Enough is enough!

So, I rallied my troops here at CB&C, devised a battle plan and began fighting back. In just a few short years my troops have become their own force to be reckoned with in the war against medical necessity denials.

Realizing that I was leading my team to a destination where no billing company had gone before, into somewhat hostile and uncharted territory - I thought about calling my base of operations, “The War Room” but finally, after much deliberation, I settled on simply calling our operations, “The Appeals Department”. And it is within that Department that the art and science of Case Management combined with a disciplined administrative process is used to overcome the medical necessity denial. Out of old notes and forms, EOBs and denials, as well as Clinical Guides and Scientific Journals my Special Forces Appeals Team works to create, “The Argument” while utilizing the process that will recover the money.

If you decide upon the wrong reason for the problem,

your solution to the problem will also be wrong.

If you decide upon the wrong reason for the problem, your solution to the problem will also be wrong. So, try to put the anger or frustration over the denials aside for right now. If you decide that you are not being paid because all insurance carriers are “out to get you” then your solution might be – to avoid insurance carriers? If you decide that the medical necessity denial is based on a conspiracy theory, then what will your solution be to this problem? You have to be willing to carefully inspect your own documentation and processes. If your documentation and processes are weak – tighten them up! Do not let the determination of “not medically necessary” be found in your own documentation or process. At the time this book is being written, I have seen more medical necessity appeals won than lost. I attribute this success to:

1. A strong administrative process
2. Unrelenting determination to hold the insurance carriers accountable
3. Insistence upon a fair, timely and objective appeal review
4. Improvements to documentation and coding

There are processes available for your use rather than just conceding and writing the services off or billing the patients. Whether those processes are totally fair and objective is a matter of opinion – and hopefully you will have formed your own opinion and come to your own conclusions after reading this book and putting some of your own files through the process.

introduction

There are only two possible outcomes: 1.) You will get paid, either fully covering the amount due, or partially covering what is due 2.) You might **not** get paid – BUT, you will force the insurance carrier's appeal system to provide the clinical rationale used in the determination, all relevant documents referred to in the determination and a response that you can use to develop a strategy to get paid *the next time*. And trust me on this; there WILL be a next time.

My intention is not to pretend that I have all the answers and to mislead you into believing that this is a completely fair system or, that if you follow my instructions you will be victorious 100% of the time. That would be a false expectation. However, if you use the processes I have outlined for you here, you will have a response for every denial and will present a formidable challenge for any insurance carrier.

I should probably tell you at this point that the most valuable lesson I have learned in my fight against medical necessity denials - is to not let them happen it in the first place! So the intention of this very valuable Field Guide is to teach you how to set yourself up for success on the front lines of action – in your office, and guide you step-by-step on how to construct your most effective medical necessity appeal.

You will soon see that there is not a 'one-size-fits-all' medical necessity appeal.
We will explore the very important differences between *claim appeals* and *medical necessity appeals*; we will define the difference between *self-funded appeals* and *fully funded appeals*. And lastly, we will examine the difference between *provider appeals* and *member appeals.*

All this being said, in my perfect world, I would have the insurance carriers in total retreat before writing this book, but the fact is, I am not sure how much longer this war will take. Providers are losing tremendous amounts of revenue. Not to mention, they are discouraged and losing faith in the system. Therefore, it is time to at least present what we have learned to this point.

As you use the ideas and processes I present, please let me know of your challenges and successes, your questions and suggestions. I welcome and invite your feedback.

Lynette Contreni Bernier CB&C, Inc.
195 North Church Road, Franklin, NJ 07416
973-827-3544 Fax: 973-827-3588
cbcteam@cbcbilling.com