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PHIMED Technologies

Vol. 9

Interview:
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A Frontline Defense Against Rising Denial Rates in Medical Billings

Q: With the Waystar and HFMA survey highlighting that 60% of denials stem from front-end processes, what steps can healthcare providers take to combat this issue?

The findings are indeed eye-opening, but they offer a clear direction for improvement. Providers should start by revamping their patient intake processes. This includes meticulous verification of patient information, insurance details, and benefits eligibility at the point of service. Providers should also focus on staff education, ensuring that the teams responsible for these processes are well-versed in the latest billing and coding standards, as well as payer-specific requirements.

Q: With authorization-related denials constituting a significant portion of the problem, what strategies can be employed to streamline this part of the revenue cycle?

Authorization-related denials can be a thorn in the side of RCM. To address this, we always recommend adopting a proactive authorization management strategy that encompasses a thorough understanding of payer policies, as they can vary widely and change frequently. It involves maintaining a comprehensive database of the various requirements and timelines for each payer, which should be regularly updated and accessible to all relevant staff members.

Q: How can healthcare providers leverage analytics to preemptively address issues that lead to denials?

Analytics should be at the heart of a modern RCM strategy. Providers should harness their data to gain actionable insights into their denial trends. This means not just looking at the 'what' but understanding the 'why' behind each denial. For instance, if a particular type of claim is frequently denied for insufficient documentation, the provider can then backtrack to identify where in the process the documentation is failing to meet the necessary criteria. The next step is to implement targeted training or process improvements to address these specific issues. For example, if denials are occurring due to coding errors, a focused refresher course for coding staff may be in order. If eligibility issues are the culprit, then improving the accuracy and timing of eligibility verification would be key.

Advanced analytics can also forecast potential denials based on historical patterns, which allows providers to intervene before the claim is submitted. This predictive approach can significantly reduce the denial rate and improve cash flow.

Q: Automation and RPA have been buzzwords in many industries. How does automation specifically support denial prevention in healthcare billing?

Automation and RPA are transforming healthcare billing by reducing the human error that can lead to denials. For example, automated systems can ensure that claims are submitted with all the necessary information, that they're coded correctly according to the latest ICD-10 updates, and that they're formatted properly for each specific payer.

But it's more than just preventing errors. Automated systems, like our PhyGeneSys technology can also streamline the entire billing process, from charge capture to payment posting. This efficiency means that claims are processed more quickly with fewer errors and staff can focus on more complex tasks that require human judgment. Moreover, the system can flag issues in real-time, so they can be addressed immediately rather than after a claim has been denied.

In integrating RPA, it's important to choose processes that are rules-based and repetitive for automation. This ensures that the RPA implementation is effective and provides the maximum return on investment.

Q: Could you expand on the role of staff training and development in denial management?

Comprehensive staff training is critical in several areas: understanding the intricacies of different payer contracts, staying current on coding and billing regulations, and knowing how to use the technology tools provided effectively. PHIMED provides regular and ongoing training sessions to keep our clients updated on the latest trends and regulations in healthcare billing.

Staff development should also include fostering a culture of quality and continuous improvement. Encourage team members to identify potential areas for process enhancement and to communicate openly about challenges they face. This kind of environment not only improves the billing process but also contributes to employee satisfaction and retention, which is critical in a high-turnover field like healthcare administration.

While the technology and systems provide a strong infrastructure for denial management, it is the informed, empowered, and diligent human professional who ensures that these tools are utilized to their fullest potential. By combining robust automated technology like PhyGeneSys (RPA) with a well-trained, proactive staff, healthcare providers can create a formidable defense against the rising tide of denial rates in medical billing, ensuring a more efficient, effective, and financially stable healthcare delivery system.

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PHIMED Technologies' vision is to be at the forefront of driving the adoption of automation technology in medical billing management and advancing the field as a whole. We strive to be a trusted partner for healthcare providers, empowering them with innovative solutions like PhyGeneSys. Our role is to continuously innovate and refine our automation technology to meet the evolving needs of healthcare billing. We actively collaborate with industry experts, regulatory bodies, and healthcare professionals to understand the challenges they face and develop tailored solutions.

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