

# The art and science of denial management

Solving a \$262 billion challenge

Denial management is a massive financial challenge for U.S. healthcare systems. Each year:

- \$262 billion in claims submitted by hospitals are initially denied (9% of the total \$3 trillion in claims submitted); and
- Denial-related issues cost systems nearly \$9 billion in administrative costs, an average of 3% of net patient service revenue or nearly \$5 million per system.<sup>1</sup>

It's a big-money problem, and it's taking big ideas to solve it. Our denial management solution — a strategic blend of art and science — is helping clients nationwide reduce costs, cut process times, support patients, and strengthen cash flows.



### The science: machine learning algorithms

Successful denial management starts with intelligent data analytics, so we apply machine learning algorithms to clients' denied claims. Our proprietary algorithms analyze vast denial data, grouping cases by attributes such as technical-vs-clinical, remit codes, denial reason codes, and responsible payor. Our system then sorts and assigns accounts to representatives who specialize in the various denial reasons.

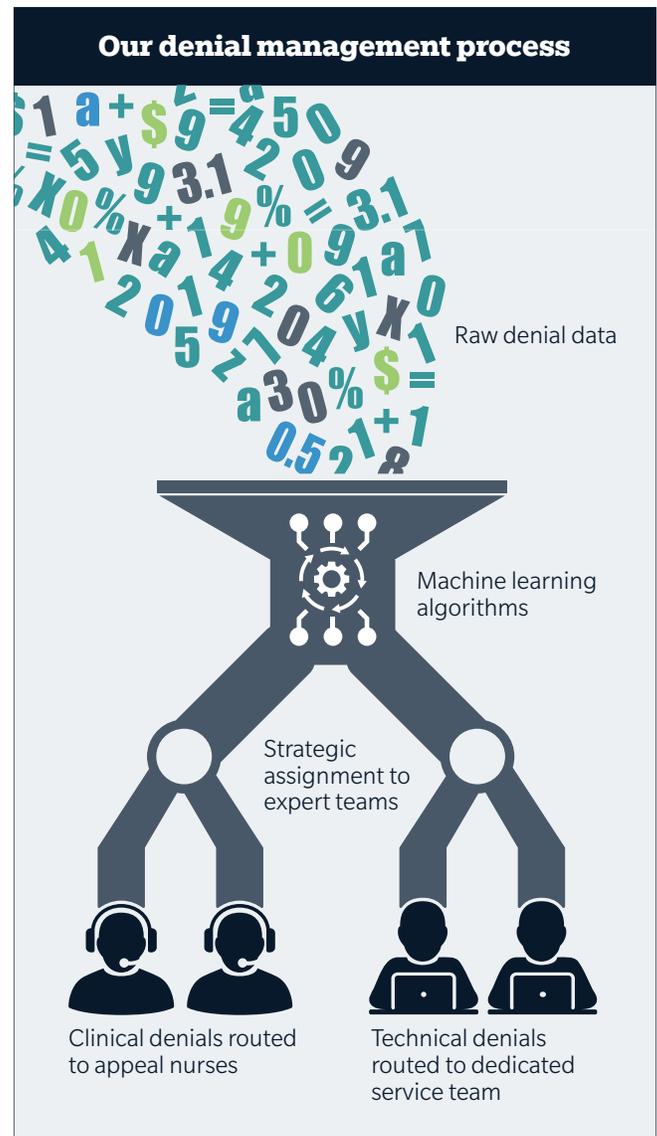


### The art: human expertise

High-quality, timely, and accurate appeal submissions are critical to ensuring the best outcomes. This is where we apply our most powerful asset: our people.

- For technical appeals, we leverage dedicated service team members adept at successfully navigating these nuances.
- For clinical appeals, we assign appeal nurses who average 25 years of experience in:
  - Recovery Audit Contractor (RAC) audits
  - CMS regulations and appeals
  - Auditing processes for all major health plans
  - InterQual and MCG (Milliman) guidelines
  - Clinical documentation, including coding rules

... all of which they apply to write customized appeal letters that stand the best chance for positive resolution, for you and your patients.



**Put intelligent denial management solutions to work for your patients and your bottom line.**

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<sup>1</sup> Becker's Hospital CFO Report, June 2017 ([www.beckershospitalreview.com/finance/denial-rework-costs-providers-roughly-118-per-claim-4-takeaways.html](http://www.beckershospitalreview.com/finance/denial-rework-costs-providers-roughly-118-per-claim-4-takeaways.html))