

Claims Denials and Pre-Payment Audits

UnitedHealthcare, among other payers, announced in 2022 that Optum AI would begin combing through paid claims to find payments for services that appeared not to be documented or not medically necessary. The June 2023 SVMIC newsletter, The Sentinel, reported a sharp increase in overall denials across its covered practices.

Payers use audits of paid claims not just to correct overpayments, but also to look for trends in practices whose physicians, after notification and fund recoupment, continue with what is judged by the payer to be poor or inappropriate documentation/coding/ordering habits, tagging the providers to be audited PRIOR to sending the claim to the payer for processing payment.

Pre-payment audits are onerous, requiring submission of documentation for everything performed and billed at an encounter in order to process for payment. These audits can cause all but the simplest claims to be delayed for processing by the payer until all documentation has been analyzed by Optum or other audit service, after which they release the claim to the payer for payment.

Frequent use of modifier 25 without good documentation can set off a pre-payment audit. Frequent use of Modifier 59, named by the AMA in its CPT manual as a modifier of last resort, for any reason can trigger an audit. Are you up to date on using the more specific X modifiers instead?

April 11 at 1 PM MetroCare presents a 3 hour webinar on Modifiers and Place of Service. [click here](#)

Take Action to Avoid Denials and Audits

1. Prevent eligibility denials by improving front desk intake of patient information and insurance verification
2. Review remittance advice remarks on individual claims line items and run monthly reports for unpaid claims, denials reports, and claims adjustment reasons reports
3. Provide and encourage continuing education in coding and billing
4. Help providers improve documentation of patient encounters and lab/test results
5. Avoid ordering procedures that may not be considered medically necessary, such as a chest x-ray as a preventive screen in a healthy individual

Attend our Special June 12 Lunchtime Webinar with SVMIC

Payer Recoupments and Audits and the Role of Monitoring Your Revenue Cycle [click here to RSVP](#)

SVMIC Noon Webinars

Practice management experts give these excellent monthly presentations from a risk management perspective. Thursdays at NOON

May 8: Creating a Positive Payment Experience

Jun 12: Payer Recoupments and Audits/Role of Monitoring Revenue

Jul 10: Protecting and Educating Against Workplace Violence

Aug 14: Revenue Cycle Management

Sep 11: Dealing with Difficult Patients

Oct 16: Supervising and Billing for AP Providers

Updating HIPAA Information

HHS has now implemented its final rule published in April 2024 with new strongly worded prohibitions against discrimination that may require updating notices of nondiscrimination and privacy practices.

Click here to read the article from from Feb 2025 SVMIC Sentinel and be sure to schedule your HIPAA training within 365 days of the last one.

LUNCHTIME WEBINARS:

E&M Coding Practice April 16 & 23

Brief review of rules and practice cases with coding practice and discussion

Telehealth Updates May 7 & 14

Current codes and rules review

Specialty Coding Classes

**Apr 3: 9 AM Cardiology
1 PM GI**

**Apr 11: 9 AM The Eye
1 PM 3 Hr Modifiers**

**May 9: 9 AM Endocrine
1 PM ObGyn**

**May 23: 9 AM E&M Deep Dive Repeat Session
1 PM Preventive Services**

[click here for more webinar info/rsvp](#)

Thinking of hiring a billing/credentialing company?

We have found that local entities tend to have a better understanding of the contracts unique to our market and are better able to avoid out of network issues.

We Are Here to Assist You

A dedicated team of professionals is committed to assuring MetroCare physicians have the tools and resources to achieve success with the changes required by transition to value-based healthcare.

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