

Presented Challenges

A 350-physician medical practice in Florida has a large Medicare patient base and uses Alpha II ClaimStaker as an integral part of their denials prevention process. After reviewing their edit analytics, we noticed an increase in Medicare LCD medical necessity edits. Completing the Advanced Beneficiary Notice of Noncoverage (ABN) is a necessary step toward ensuring correct payment for non-covered Medicare services. If an ABN is not presented to the patient at the time of service, the non-paid portion of the service becomes the responsibility of the provider and cannot be forwarded onto the patient. We wanted to show the value of the ABNgen solution to the practice to ensure the unpaid portion of non-covered services are being applied to the patient and not the practice.

How We Helped

Alpha II performed a validation audit on six months of the practice's ClaimStaker Medicare LCD edit data. This edit verifies the primary diagnosis meets medical necessity based on an existing LCD policy. The ABNgen solution can identify if a CPT code/diagnosis code combination may deny based on Medicare LCD/NCD or other Medicare guidelines. If medical necessity has not been met, the patient must sign an ABN at time of service to consent to the service with the understanding that any non-covered portions will be their financial responsibility. ABNgen uses patient demographic information to auto-populate the form and quickly returns a completed ABN with few clicks. During this audit of Medicare services, we identified several opportunities for a patient to be presented with an ABN.

Audit Results

22,053

instances of Medicare LCD edit triggering for failed medical necessity

\$3,192,892

total billed charges for claims receiving Medicare LCD edit

\$1,117,512

estimated net revenue impact of missed ABNs*

Overall, these findings demonstrate the potential revenue impact of missed ABN opportunities. Alpha II's ABNgen provides simplified medical necessity verification and ensures payments are appropriately allocated.

** Estimated net revenue impact assumes industry average payment calculation of 35% of total billed charges*

Contact us today at communications@alphaii.com for a demo.

Alpha II is a leading provider of SaaS-based revenue cycle solutions designed to maximize reimbursement and prevent revenue loss. From denial prevention to revenue recovery, our solutions optimize billing, coding, and compliance throughout the revenue cycle.

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