THE SCOPE: ISSUE 3

/skōp/: def: the opportunity or possibility to do or deal with something

AssureAbility INCORPORATED

Interpreting the Insurance Accounts Receivables Report

Understanding the financial health of a practice is vital to maintaining profitability. There are many factors to consider. This is where a competent and thorough insurance staff is indispensable, as the bulk of the accounts receivables are often related to claims processing issues.

But what does a healthy Insurance Accounts Receivables report (IAR) look like? At a glance, your IAR should resemble a declining slope. The largest totals should appear in your most current outstanding claims, typically 0-30 days. Moving across your report from current to aging, the totals should decrease. Actual numeric totals will vary throughout the year to correspond with higher invoice volume, but the overall look of the report should remain consistent.

If your IAR report currently has higher totals accumulated in aging claims than current claims, there is a problem.

Once you've evaluated the status of your IAR, you can track the trends to identify what is standard for your practice and what is not. From our experience, high aging IAR is typically a result of internal practice inefficiencies and awareness. Other problems can be a result of issues arising with payer processing or the clearinghouse. Maintaining a healthy IAR, and thereby a more profitable practice is the top priority for our staff at AssureAbility. We manage this report each month for our providers to make sure claims are being paid promptly and errors are corrected immediately.

"From the Chief"

Have you heard about MIPS? It is a component of MACRA which was signed into law after the ACA in 2010. Changes to quality reporting began January 1, 2017. They will affect Medicare payments starting in 2019 and beyond. If your practice is one of the many, unaware of the changes for 2017, I strongly encourage you to begin educating yourself & your staff. Many resources are available regarding the Merit Incentive-based Payment System (MIPS).

For starters, I would recommend CMS.gov. Just enter MIPS in the search field & you will find a wealth of information. AOA.org offers articles, webinars, and AOA More to members. AOA More is an approved Qualified Clinical Data Registry (QCDR) which makes reporting easier. You can also open those industry trade publications which offer numerous articles from professional colleagues. Just be careful that you are reading current and relevant information. As we all know, the rules are constantly changing along with those pesky acronyms.

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Are We Coming in Clear?

Insurance benefits often vary from in network to out of network providers, here is one way we would recommend scripting this issue to explain the difference to patients:

Instead of: "You do not have coverage at our office because our provider is not in network for your plan."

Try: "Your insurance offers benefits when you receive services from a certain group of providers. These providers hold contracts with your insurance company to offer you benefits. Unfortunately, if you receive services from a provider not in this group, your insurance plan will not pay for those services."

Instead of making it sound like it is the fault of the provider for not being in network, the alternate wording emphasizes that the insurance plan carries the restriction of a network to access benefits.