

Join the “Heal the Claims Process”™ campaign

Diagnosing the problem

Physicians deserve timely and accurate payment. Yet physician practices are spending as much as 14 percent of their total collections to ensure accurate payment for their services.* When physicians submit correctly coded health care claims, health insurers and other third-party payers may still inappropriately delay, deny or significantly reduce payments. The significant savings that could be realized from more efficient claims processing could be better spent on increasing the quality of patient care and reducing the burden of high premium costs to consumers.

The AMA’s remedy

The American Medical Association’s (AMA) “**Heal that Claim**”™ month is part of the AMA’s ongoing “Heal the Claims Process”™ campaign. The campaign calls on both physicians and payers to do their part to eliminate waste in the claims process by getting it right the *first* time:

- We encourage **physicians and their practice staff** to submit timely and accurate claims the first time.
- We encourage **payers** to pay accurately and in a timely manner the first time and comply fully with the Health Insurance Portability and Accountability Act (HIPAA) electronic standard transactions. We also call on payers to provide full transparency with respect to fee schedules, medical payment policies and other information necessary to maximize efficiency.

These steps would improve claims processing efficiency and help reduce physician practices’ cost of submitting claims to the ultimate goal of 1 percent of revenue.

The physician’s prescription

This November, physicians can join other physicians around the country in fighting for what rightfully belongs to them. Physicians can help heal the claims process by:

- Reviewing their internal claims process to ensure claims are submitted accurately and in a timely manner to the appropriate payer
- Not assuming the payments they receive from payers are accurate
- Reviewing claims payments for accuracy
- Appealing inappropriately underpaid or denied claims

* National Healthcare Exchange Services 2008.

The payer's prescription

Health insurers and other third-party payers can join the "Heal the Claims Process"[™] campaign by working toward complete payment accuracy and transparency with a goal of eliminating rework costs for both physicians and payers.

The "Heal the Claims Process"[™] campaign urges payers to adopt and fully implement the HIPAA electronic standard transactions and further:

- Provide expanded patient eligibility responses.
- Accurately process and appropriately pay claims the first time.
- Complete the key voluntary fields included in the electronic remittance advice (ERA) necessary for physicians to efficiently reconcile claims and use accurate, specific reason and remark codes so that the physician can easily confirm whether an adjustment on a claim was indeed accurate.

A cure is in sight

By committing to claims processing efficiency, waste can be dramatically reduced. If both physicians and payers use electronic transactions instead of manual ones for the estimated 3 billion claims submitted every year, the health care system can save over \$90 billion each year.

To help physicians process claims efficiently, the AMA's Practice Management Center has created a Web site. Visit www.ama-assn.org/go/pmc to access a variety of materials on submitting accurate claims, reviewing and reconciling inappropriate payments, and other aspects of managing the physician practice. New resources are added frequently, so check back often for updates.

The AMA Practice Management Center[†] helps physicians take charge of the business side of their practices with educational resources and tools that help physicians and their practice staff address private payer and practice management issues with ease. Working side by side with national medical specialty societies and state and county medical associations, the AMA Practice Management Center helps physicians and their practice staff navigate a challenging marketplace.

AMA members and their practice staff may e-mail the AMA Practice Management Center at practicemanagementcenter@ama-assn.org for assistance.

[†] The Practice Management Center is a resource of the AMA Private Sector Advocacy unit.