



### Overview

Payer report card data highlights major inefficiencies in claims processing, denial trends, and revenue cycle performance. Denials remain a leading source of financial waste but are often preventable with proper systems and workflows.

### Key Revenue Cycle Insights

- 70–80% of denials are recoverable
- Underpayment resolution averages ~260 days
- Overpayments are often false positives related to new payer rates
- Performance should be tracked across timeliness, cash flow, accuracy, compliance, and denials

### Why Denials Are Increasing

- Tightened medical necessity requirements
- Increased clinical validation demands
- More aggressive bundling and coding edits
- AI-driven denial automation increasing volume and speed

### High-Impact Denial Categories

- Edit-related denials (~30%)
- Benefit and claim information issues
- Authorization and documentation gaps
- Eligibility and COB errors

### Clearinghouse Risks & Insights

- Significant variance in eligibility accuracy
- High orphaned eligibility request rates (Missing Eligibility Response from Payer)
- Batch timing issues can affect response rates
- Data entry inconsistencies (name, DOB, subscriber ID) drive denials

### Common Root Causes of Denials

- Missing or incorrect authorizations
- Incorrect provider credentialing or specialty mapping
- Patient demographic errors
- Plan limitations not identified upfront
- Clearinghouse data transmission issues

### Critical Operational Gaps

- 20%+ of eligibility denials lack remark codes
- 75%+ of benefit denials lack supporting remark codes
- 85%+ of claim information denials lack explanation
- Limits visibility for correction and appeals
  - Watch for Reason Codes 109, 16 and 96 with no Remark Codes

## Provider & Payer Issues

- Downcoding of E/M services (especially 99214)  
**Watch for Reason Codes 186, 131, 203**
- Incorrect rate loading by payers
- Payment inconsistencies across networks
- Credentialing delays and errors  
**Watch for Reason Codes 8, 147, 171, 172, 173, 185, 206, 208, 242, 243, 270**
- Telehealth and lab payment discrepancies

## Strategies to Reduce Denials

1. Optimize clearinghouse operations
2. Validate practice management system setup
3. Implement real-time dashboards and analytics
4. Strengthen documentation and pre-bill validation
5. Automate payer policy updates
6. Monitor denial trends weekly

## Best Practice Clinical Pearls

- Eligibility checks alone are insufficient—validate benefits and authorization rules
- Fix demographic errors proactively (30–55 seconds Front End vs. 30 minutes per denial)
- Monitor rejection codes, not just denials
- Track denial patterns by CPT and payer
- Escalate recurring issues to Department of Insurance, KMA and OSMA
- Ensure all providers and NPIs are correctly enrolled and mapped

## Bottom Line

Denials are largely preventable. Success requires proactive data validation, clearinghouse optimization, contract awareness, and continuous monitoring of payer behavior.

Just CALL for HELP!

# Questions

THANK YOU FOR YOUR TIME

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Payer	1st Pass Rate	PT Resp %	Valid Pay Rate	Denial Rate	Under Allowed Rate	Clinical Edit Rate	Payment Lag Day 15	Payment Lag Day 30
Anthem BCBS	88.3%	17.3%	92.6%	4.0%	2.6%	0.7%	95.5%	99.30%
Medicare	93.7%	16.9%	94.6%	4.5%	0.1%	0.2%	78.9%	99.30%
Humana	92.0%	5.9%	93.8%	2.5%	2.0%	1.7%	97.6%	99.40%
United Healthcare	90.0%	15.1%	96.1%	2.4%	0.8%	0.3%	26.0%	95.80%
Aetna	88.3%	13.5%	92.9%	3.4%	2.5%	1.0%	83.2%	99.20%
Wellcare Health Plans	88.8%	1.6%	91.7%	5.7%	2.3%	0.0%	84.9%	92.90%
Aetna Better Health	88.5%	0.1%	90.6%	4.5%	1.3%	2.7%	97.3%	99.30%
UHC Community Plan - AmeriChoice	83.0%	5.2%	89.2%	5.8%	3.3%	1.2%	99.1%	99.70%
UMR	88.1%	19.6%	90.4%	3.8%	5.0%	0.2%	1.7%	78.70%
Molina Healthcare	85.2%	1.0%	88.0%	5.8%	0.9%	2.1%	70.3%	90.40%
Ambetter	84.8%	17.6%	90.2%	5.7%	2.1%	1.9%	76.6%	89.60%
Cigna	90.2%	22.5%	93.8%	2.4%	2.8%	0.3%	95.9%	98.90%
PGBA - Tricare - CHAMPUS	80.6%	7.3%	86.4%	10.8%	1.9%	0.6%	87.2%	97.80%
MedBen	10.7%	15.0%	68.1%	4.3%	27.5%	0.1%	17.2%	82.90%
Medicare - Railroad	94.1%	17.5%	94.7%	4.1%	0.1%	0.3%	79.2%	99.60%
	<b>87.6%</b>	<b>14.1%</b>	<b>91.10%</b>	<b>4.30%</b>	<b>2.50%</b>	<b>0.80%</b>	<b>80.90%</b>	<b>97.80%</b>