

# Breaking Through Denials: Strategies for Prevention and Awareness

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# Session Objective

- UTSW has implemented strategies to proactively address denials, minimize revenue leakage, and enhance the overall revenue cycle management process. Effectively managing denials, revenue cycle teams ensure financial stability and improved operations for their organizations.

# Payor Denial Trends

- Nearly 15% of all claims submitted to private payers initially are denied, including many that were preapproved during the prior authorization process. Overall, 15.7% of Medicare Advantage and 13.9% of commercial claims were initially denied. American Hospital Association (AHA)
- Recent trends in payer denials have shown a noticeable increase in denial rates across the healthcare sector. Key drivers of these denials include issues with authorizations, provider eligibility, and coding inaccuracies. A 2023 survey highlighted that nearly half of healthcare providers have experienced a rise in denial rates, with the most common causes being errors in patient access and registration, lack of documentation to support medical necessity, and incorrect patient information ([Analytics Leadership News](#)) ([ACDIS](#)).
- Additionally, data indicates that initial denial rates have climbed from 10.15% in 2020 to 11.99% in 2023. This surge in denials is contributing to increased accounts receivable aged over 90 days, particularly for patients with Medicare Advantage and commercial coverage, making it harder for providers to maintain cash flow ([FierceHealthcare](#)).
- These trends highlight the importance of addressing issues at the front end of the revenue cycle to minimize downstream impacts and improve overall claims processing efficiency. Investing in technology and training to reduce errors and improve claims management is becoming increasingly critical for healthcare providers ([ACDIS](#)).
- Payers are increasingly utilizing artificial intelligence (AI) to scrutinize claims, particularly those with higher costs, such as expensive treatments, drugs, or implants. This has led to a more challenging environment for providers, who now need to adopt similar technologies to counteract these denials by improving coding accuracy and predicting potential issues before they arise ([MDaudit](#)) ([SYNERGEN Health](#)).

## UTSW Focus

Early identification of new “issues”

Control the preventable through a deeper understanding of the “root cause”

# Who and How



Directors and Managers

Self Service  
Data analysts



Revenue Cycle Analytics Team

Support to directors and managers  
Big Data Analysis and Trending



Real – time access to data

Pulse Metrics – trended weekly  
Dashboards – data as of yesterday

# Early Identification

## Denials Pulse with Payor Trending

Weekly trending report

- Denial Code Groupers
- Measure our performance to peers
- Can get Payor Level Trending

## Denials Dashboard

- Daily trending
- Use same denials code groupers with remit codes
- Can drill down
  - Financial Class
  - Payer
  - Account Type
  - Rev Code/CPT
  - Root Cause

# Prevention



## Identification of Root Cause

Underlying issue determined during follow-up

Primary Focus

- Registration
- Authorization
- Medical Necessity



## Routine feedback to source

Registration  
Authorization  
Cancer Center  
Inpatient



## Benchmarks and trending to determine success

# Key Takeaways



Easy access to data real time



Operational ownership and accountability to manage the data



Ability to categorize your denials to improve operationally (root causes)



Collaborative meetings to strategize how to improve



Ability to measure/trend data to determine if you are making progress



Questions???

