



# 8 Common Claim Denials and How to Appeal Them

When your health insurance claims are denied, it is well worth your while to contest your insurer. According to the Department of Labor, one claim in seven made under employer health plans is denied.<sup>1</sup> However, if you appeal your insurer's denials, you have about a 50/50 chance of winning.<sup>2</sup>

Sometimes, the denial stems simply from the fact that the claim had some kind of error; in 2012, the American Medical Association reported that an average of 9.5% of health claims processed by private health insurers contained errors.<sup>3</sup> Other times, though, the claim is denied due to something more significant—and that can be appealed as well.

## Here are some common cases of insurance claim denials and what you can do to fight them.

- 1** **The Denial:** Payment for this procedure was included in the allowance for a related procedure performed on the same day.  
**The Rebuttal:** The patient should not be responsible for this charge. If you are being billed for this charge, call your provider and request an adjustment.
- 2** **The Denial:** This service could not be covered. Vision exams, supplies, glasses, and lenses are excluded under your benefit plan or policy.  
**The Rebuttal:** Check your benefit policy—most will cover vision after surgery, including cataract surgery.
- 3** **The Denial:** Your benefit plan or policy places a maximum on the number of times this service is covered. The maximum has been exceeded.  
**The Rebuttal:** Check your policy for the correct dollar or visit maximum. Keep in mind that even if the maximum has been met, the insurance company still needs to apply the contracted discount. You are still entitled to this discount, regardless of any dollar or visit limitation.
- 4** **The Denial:** We have requested additional information from the provider. We will complete processing when it is received.  
**The Rebuttal:** You should not receive a bill for this charge. It is up to the provider to supply the necessary information to the insurance company for payment prior to billing the patient.
- 5** **The Denial:** The claim has been denied as “not a covered service or procedure”.  
**The Rebuttal:** If the service in question is not listed under the exclusions portion of the plan book, call the insurance company and ask for more details on the denial. It could be deemed not medically necessary; call the provider and request a copy of the doctor's order to be submitted to the insurance company. It also could be denied because it wasn't pre-authorized. To find out, call the hospital and ask if the pre-authorization was completed.
- 6** **The Denial:** The procedure was cosmetic, experimental/investigative, or wasn't medically necessary.  
**The Rebuttal:** Appeal to the insurance with the doctor's notes/orders. For cosmetic denials, in most cases the medical records or doctor's orders will justify a medical diagnosis for the cosmetic surgery.
- 7** **The Denial:** The claim is denied due to untimely filing.  
**The Rebuttal:** If the provider or hospital is in-network with your insurance company, call and have the billing department re-submit the claim with proof of timely filing. If they cannot provide proof of filing the original claim, the patient is not responsible and they would need to adjust the amount of the bill.
- 8** **The Denial:** The claim denied as “non-covered”.  
**The Rebuttal:** This is a basic reason for denial and could be the result of the provider or hospital's billing department billing the claim incorrectly. Common mistakes: the incorrect diagnosis or procedure code was billed, incorrect place of service, incorrect or lack of modifier billed, claim was lacking the provider number, or claim stated that another insurance carrier is responsible and incorrect patient information.

<sup>1</sup> AARP, “The Health Claim Game,” [http://www.aarp.org/health/medicare-insurance/info-09-2009/health\\_claim\\_game.1.html](http://www.aarp.org/health/medicare-insurance/info-09-2009/health_claim_game.1.html).

<sup>2</sup> Kaiser Health News, “Appealing an Insurer's Denial Is Often a Good Strategy,” <http://www.kaiserhealthnews.org/features/insuring-your-health/michelle-andrews-on-appealing-insurers-denial.aspx>.

<sup>3</sup> American Medical Association's 2012 National Health Insurer Report Card, <http://www.ama-assn.org/resources/doc/psa/2012-nhirc-results.pdf>.

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