	<b>The Johns Hopkins Health System</b> <b>Policy &amp; Procedure</b>	<i>Policy Number</i> BIL021
	<i>Subject</i> <b>Rejection/Denial Processing and Follow-up</b>	<i>Effective Date</i> 10/01/01
		<i>Page</i> 1 of 3
		<i>Revised</i> 9/1/09

## POLICY

This policy applies to the Johns Hopkins Health System (JHHS) Patient Financial Services (PFS) Division and the following entities: The Johns Hopkins Hospital (JHH), Bayview Medical Center (JHBMC), and Howard County General Hospital (HCGH).


## PURPOSE

To ensure that JHHS and its affiliates communicate and process third-party payment denials in a consistent, appropriate, and timely manner. (For purposes of this policy, a payment denial is defined as the rejection of payment by any third party for a valid billed claim submitted by a JHHS affiliate.) *This policy applies both to inpatient and outpatient services and claims.*

## PROCEDURE

### **Inpatient Denials**

1. For all entities, the appeals staff should be notified. For JHH, Patient Financial Services notifies UR/Appeals Specialists of clinical denial information and also notifies the financial staff in front offices of administrative (authorization-related) denials.
  - a) copies of rejection reports, EOBs, and denial letters are forwarded to UR/Appeals Specialists with the appeal request form "grid" (See Exhibit A)
  - b) when denial information is obtained via follow-up telephone calls or online payer inquiry systems, the "grid" form is completed and faxed along with copies of hospital system screen prints to the appropriate appeals department
  - c) when denial information is provided by the Care First System (BX/HMO) rounder log, the denial is documented in the hospital system, the account balance is adjusted prior to billing, and the "grid" is not processed. The "grid" is not necessary because the appeals department receives the CFS rounder log and denial letter directly from the CFS.
2. PFS adjusts inpatient account "insurance" balances down to \$25.13 for JHH accounts; to \$25.25 for JHH Transplant accounts; and to \$0.00 for JHBMC and HCGH accounts.
3. For JHBMC and HCGH, appeals departments enter the clinical denial into the shared, online database that tracks denials for inpatients. JHH updates C-View monthly. JHH and JHBMC provide monthly reports of new denials, overturns, and uphelds for immediate follow-up in PFS. Overturned cases for HCGH are coordinated through the administrative assistant responsible for maintaining the log.
4. PFS Representatives review accounts monthly via their collector work queue. For JHH accounts, PFS also receives a monthly report of accounts with a balance of \$25.13.
  - a) for upheld denials: the JHH \$25.13 balance should be adjusted to \$0.00
  - b) for overturns: the Administrative or Clinical Appeals unit will Email documentation supporting the overturns to the appropriate Manager or Supervisor. Billing staff will review the documentation and reverse any previous allowance to restore the funds to the account

	<b>The Johns Hopkins Health System</b> Policy & Procedure	<i>Policy Number</i>	BIL021
		<i>Effective Date</i>	10/01/01
	<i>Subject</i> <b>Rejection/Denial Processing and Follow-up</b>	<i>Page</i>	2 of 3
		<i>Revised</i>	9/1/09

- c) every month a report of all overturns is prepared, showing detailed patient information—including the current account balance. This report will be used to ensure that all overturns are correctly reinstated to the ATB

### Outpatient Denials

1. For JHH and JHBMC, rejection/denial reasons are received via EOBs, letters, and electronic rejection reports. HCGH submits a “grid” for any outpatient denial. In addition, JHH submits a “grid” for outpatient accounts greater than \$5,000.
2. UR receives electronic rejection reports for selected payers and dollar amounts.
3. PFS reduces account balances to \$0.00, minus patient co-payment or deductible amounts.

### Emergency Room Denials


1. ED denials are reviewed in EOBs, remits, and/or electronic rejection reports. Non-emergent visit denials are written off—taking payers, co-pays, etc., into consideration. For JHH and JHBMC, copies of rejections are sent to the ED Coordinator for review and possible appeal; for HCGH, copies of rejections are sent to the outpatient appeals coordinator.

### Requests for Additional Information

Payers may request additional information via EOBs and remittances such as itemized bills, treatment plans, pharmacy profiles, medical records, etc.

*To expedite such requests for additional information:*

1. For JHH and JHBMC, PFS Representatives should check EPR (Electronic Patient Record), WebX, EMR or eChart for immediate access to information; for HCGH, PFS Representatives should check Patient Care Inquiry (PCI).
2. If the information cannot be found in EPR, WebX, EMR or eChart, a request must be submitted via the online MRRS (Medical Record Request System). For HCGH, if the information is not found in PCI a request must be faxed to HCGH Medical Records.
3. If an IP medical record is requested without a denial, PFS should contact the payer and, depending on the information they receive, forward this information to the appeals unit.
4. For JHH, PFS Representatives should look first in IBM for pharmacy profiles or request that the data entry team perform a BDM inquiry for the pharmacy information. If it is not available, a request for information must be submitted to medical records or to the pharmacy.
5. Any special requests for focused reviews or audits from Federal agencies (Medicare, Medicaid, Champus/Tricare) must be routed to the Compliance Department for review and guidance. **Please refer to Policy FIN111 – Policy on External Focused Medical Review.**

	<b>The Johns Hopkins Health System</b> Policy & Procedure	<i>Policy Number</i>	BIL021
	<i>Subject</i> Rejection/Denial Processing and Follow-up	<i>Effective Date</i>	10/01/01
		<i>Page</i>	3 of 3
		<i>Revised</i>	9/1/09


**SPONSOR**

Senior Director, Patient Financial Services, JHHS

**REVIEW CYCLE**

Three (3) years

**APPROVAL**

  
 \_\_\_\_\_  
 Senior Director, JHHS

11/16/09  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Director, PFS Financial Support, JHHS

11/16/09  
 \_\_\_\_\_  
 Date