



# How Do I Handle Denied Medical Claims? What Are My Rights?

## *MEDICAL CLAIMS DENIED....*



Research has shown that millions of medical claims are denied by insurance carriers each year. Many consumers simply pay the small denial claims, or the expenses that insurance companies deem above the “reasonable and customary” amount for a given procedure without even considering appealing the decision.

In fact, many people believe they cannot appeal a decision, or that it involves a difficult procedure. They think that it wouldn’t do any good anyway: “Why bother since it is only a few hundred dollars?”

The worse case scenario would be if the insurance company refused to pay for a major surgery which would save the patients life, leaving them with no choice. Without the operation, the patient dies. The newspapers have been full of horror stories and Congress has held hearings about patients being denied coverage until it was too late. Unfortunately, no legislation has been passed to remedy this problem.

The reasons for an insurance company to deny payment of a claim varies. An appeal process asks for a reconsideration of the claim by the carrier or the intermediary who made the decision.

There are several steps to appealing a medical claim.

## *APPEALING A CLAIM....*



- ✓ Review your insurance policy to clarify your appeal process.
- ✓ Check with the insurance company regarding the appeals process.
- ✓ Complete the recommended process with appropriate documentation.
- ✓ Keep copies of everything for your records.

Note: In most cases you will need to include:

- ✓ letter of denial,
- ✓ copy of the bill,
- ✓ medical care plan from the health care provider, and any other relevant information.

***If you do not like the decision made on your medical claim, you have recourse - you're not “stuck” with it!***

## WHAT COULD HAPPEN AFTER THE APPEAL

***In most cases you should allow at least 60 days for a response to your request.***

Results from a recent study involving denied claims from United Health Group determined that the attending doctors should have the final say on patients' health care decisions and not the insurance company.

### ***Successful Appeals.....***

Begin by getting your doctor to clarify the need for the procedure or test that was preformed, or why the type of procedure should not be considered normal or customary, in writing and send it to the insurance company.

Examples:

1. An insurance company refused to pay for the removal of excess skin from under the armpits of a young women. The company claimed the surgery was cosmetic and, therefore, not a covered item. The doctor wrote a letter explaining that the surgery was necessary because, if not done, mammograms would be impossible later in life. Doing the procedure while the woman was young would result in less scarring.
2. An insurance company denied full payment of a claim relating to CAT Scans. The company said it would pay only up to the point it considers reasonable and customary for that procedure. The doctor wrote a letter explaining that this was not a regular CAT Scan, but one that involved additional procedures including the placing

of pins, called "markers," in the head to aid in later surgery. The problem occurred because the insurance form did not allow for proper explanation of the procedure. With the doctor's clarification, the company paid.

### ***Unsuccessful Appeals.....***

If your claim is denied a second time, you may wish to contact the Kentucky Department of Insurance, Division of Consumer Protection and Education in Frankfort at **1-800-595-6053**. One of their main functions is handling Kentuckians' medical complaints.

Your local ***Cooperative Extension Office*** will have for a copy of the Kentucky Insurance Department Consumer Complaint Form.

Another service available to Kentucky consumers is the ***Patient Advocacy Coalition***. This group helps guide patients through the appeals process by providing support and free advice about how to present a comprehensive and compelling case. They can be reached at **(303) 744-7667**.

*Written by Beverly Garner, Extension Associate, and Robert H. Flashman, State Specialist in Family Resource Management. Edited by Peter Hesseldenz, Family & Consumer Sciences Extension.*

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