COVID-19 Billing Got You Down?

COVID-19 Billing for Lab Testing

The federal government announced a Public Health Emergency in response to the **COVID-19 pandemic**, effective January 27, 2020. While the healthcare industry has been continually adapting to new information and new regulatory challenges**, one thing that has stayed constant is the need for rapid, frequent and reliable COVID-19 lab testing.**

At the outset, both test labs and patients were led to believe that all such testing would be free or paid for by insurance. Sure, much of it is. **However, the seemingly unending and changing environment of the pandemic has exposed gaps in the payment system, leading to uncertainty by both provider labs and patients.**

Rather than a well-run national payment source for COVID-19 testing, a piecemeal coverage and payment system has emerged from various federal statutes, state executive orders, state and local public health departments and employers.

In addressing these coverage gaps, there were well-defined coverage requirements in the **Families First Coronavirus Response Act** and the **CARES Act** (demanding comprehensive health plans to cover COVID-19 testing without cost sharing or prior authorization), but government guidelines from various federal agencies created coverage gaps, particularly in areas such as return-to-work, return-to-school and surveillance testing.

What we've seen, then, **is an increase in coverage denials from insurance plans for COVID-19 testing.** One outcome is that it has curbed the ability of labs to continue to purchase supplies and bring aboard lab techs to perform the testing. That's why we believe it's more important than ever that laboratories involved in COVID-19 testing (as well as other SARS-related viruses) look to outsource their billing processes.

Here are some of the circumstances that can have a negative influence on your **lab billing** and create obstacles in your lab's revenue collection.

The Issues for Labs When it Comes to COVID-19 Testing Billing

Keep in mind that some of these issues might be only indirectly related to billing but can impact your billing efficiency if your staff is charged with these tasks along with their billing responsibilities.

1. **Insurance confirmation**
   Insurance confirmation needs be done when a patient first calls for an appointment or comes in for lab work. However, patients frequently forget to reveal their coverage is different from their last visit and even if they retain the same plan, the insurer may have revised things with the annual renewal.
2. **Poor communication**
   As soon as insurance coverage is confirmed, the patient needs to be advised of how much they owe. If there's a copay, it's best to collect it upfront. If fees are unspecified, it's nevertheless critical to clarify how the charge will be decided and what will be the range of those charges. If a patient pays a $35 copay and is not advised of other charges upfront for certain lab work, they'll most likely be angered when they are sent a bill and less likely to pay it.
3. **Obsolete information**
   Billing codes change annually. (This is especially true when it comes to **COVID-19 billing codes**). Plus, government payers and commercial insurers craft all manner of modifications to their billing regulations. So, it's essential for the billing staff to have access to the most up-to-date information. If the codes have been revised and a previous code is entered, payers will decline the total claim without an assessment.
4. **Manual data entry**
   Filling out paper claims is inefficient and prone to errors in refused claims that then have to be investigated and adjusted before being paid.
5. **Absence of review procedure**
   The phase of revenue management that's most apt to be absent with in-house billing is a review procedure that weighs the volume of claims paid and outstanding, which helps establish what problems are triggering lost revenue and transmits this data to staff so errors are fixed and don't happen again.

Here's What Medwave Can Do for You

Okay, you've seen the potential pitfalls. **Now, here are some of the many immediate benefits in outsourcing your lab billing to Medwave:**

1. **Lower operating expenses and better cash flow**
   Sustaining a laboratory billing department of your own includes related software charges, upfront and continuing training costs and hiring salaried, competent employees. Slashing these overhead costs by employing a billing service such as Medwave is an excellent way to cut costs and promote strong cash flow.
2. **Eliminating billing and coding errors**
   According to one firm that tracks such statistics, nearly 50 percent of Medicare claims indicate some sort of billing error.

This is especially true when it comes to COVID-19 and other SARS-related testing billing. Keep in mind that medical billing for labs is one of our specialties.

1. **Quicker processing and payment**
   Beginning in January 2021, the Centers for Medicare and Medicaid Service **has reduced payments to labs if they take longer than two days to return results for high throughput COVID-19 tests**. Need we say more about the need to consider outsourcing your billing to Medwave?

2. **Denial management**
   If denials are not managed correctly, it can mean delayed revenue. That's why you must take into account denial management as an essential part of your billing. That said, a suitable denial management system simply helps to settle questions with denial claims and help you track down the answers. If you're experiencing problems with denial management, Medwave is just a single phone call away.

Are you prepared to say goodbye to annoying phone calls with insurance providers? Would you sooner just see patients, minus the need to hire, train and manage billing staff? Are you ready to picture more money paid into in your bank account as your denials shrink and your claims get paid faster?

Look for an Experienced Billing Service

Your lab is worthy of any attempt on your part to improve productivity, boost revenue and take advantage of any opportunities to grow your business. **Unfortunately, many lab managers just don't have the benefit of the time, staff or funds required to commit to the billing process.** That's why hiring an experienced billing service to help manage your lab is an excellent opportunity to enhance lab performance.

At **Medwave**, we believe employing the best lab billing company for your particular needs is key to your company's success. Surely, a simple internet search will give you plenty of billing service companies. But finding the best among them is essential to boosting your cash flow and growing your business. We are the "*right choice*" as your **medical billing** partner. Just give us a call to discover why.